

Re: Public Accounts 2016-17 - Coverage Today

From: "DiMuzio, Sofie (TBS)" <sofie.dimuzio@ontario.ca>
To: "Betzner, Lynn (CAB)" <lynn.betzner@ontario.ca>
Date: Thu, 07 Sep 2017 18:59:26 -0400

Thanks very much

Sent from my iPhone

On Sep 7, 2017, at 6:52 PM, Betzner, Lynn (CAB) <Lynn.Betzner@ontario.ca> wrote:

Thanks again – you and your team did a wonderful job - Lynn

From: DiMuzio, Sofie (TBS)
Sent: September 7, 2017 5:57 PM
To: Betzner, Lynn (CAB)
Cc: Covelli, Mary Anne (CAB)
Subject: FW: Public Accounts 2016-17 - Coverage Today

FYI

From: Tharani, Alisha (TBS)
Sent: September-07-17 5:50 PM
To: Hosick, Sarah (TBS); Laughton, Patrick (TBS); @FIN-L-O-CSB-ISSUES; Balgobin, Sueanne (TBS); Liu, Mary (TBS); MacIntyre, Kyle (TBS); Nelson, Dane (TBS); Walsh, Laura M. (TBS); Gallant, Gabrielle (TBS); Ostergard, Matt (TBS); Prins, Sebastian (TBS)
Cc: @TBS-L-Issues and Media; Ovenden, Erin (TBS); Jackson, Sarah (TBS)
Subject: Public Accounts 2016-17 - Coverage Today

Hi all,

Please see below and attached for early media and social media coverage of Public Accounts 2016-17. Also attached is the CO Transcript from the media event with Minister Sandals and Minister Sousa this afternoon.

Focus so far is on the disagreement between the Auditor General and the government: "Ontario says 2016 deficit was \$991M, auditor general says government 'understating' deficit" (Canadian Press).

A more comprehensive media analysis will be shared tomorrow as stories continue to come through.

Best,

Alisha

Public Accounts 2016-17 Media and Social Media Coverage

S e p t e m b e r 7 , 2 0 1 7

Timeline

Approximately 1:00pm

Public Accounts 2016-17 is tabled

Technical Briefing provided to media on Public Accounts 2016-17 accounting changes

Approximately 2:00pm

1:53pm Media event with Minister Sandals and Minister Sousa

2:01pm Auditor General tweets and posts news release: "Ontario Government Understates Annual Deficit and Net Debt"

Location

The technical briefing and media event was held in the Huron Room, Macdonald Block, 900 Bay Street, Toronto

Attendance

Opposition Staff:

- Clint Thomas and Mitchell Davidson – staff with PC Finance Critic Vic Fedeli
- J Bowler, and Brittany Botting – with the NDP Caucus
- Media:
 - Toronto Star – Robert Benzie
 - CP – Shawn Jeffords
 - Bloomberg News Toronto – Maciej Onoszko
 - CityNews -- Jamie Tumelty
 - QP Briefing – Chris Reynolds
 - TFO – JF Morissette
 - TC Transcontinental – Glenn Kauth
 - Global Korean Post

Media Event Transcript

<image001.png>

Early Media Coverage

Ontario says 2016 deficit was \$991 million, beating target by \$3.3 billion

The Canadian Press (CTV, National Post)

Published Thursday, September 7, 2017 **2:30PM EDT**

TORONTO -- The Ontario government posted a \$991-million deficit last year -- beating its 2016 projections by \$3.3 billion.

Ontario Finance Minister Charles Sousa and Treasury Board President Liz Sandals made the announcement today as they released the province's 2016-2017 public accounts.

The government attributes the results to billions of increased revenue, a cut in program spending, and smaller interest costs to service the province's debt.

Ontario's auditor general has questioned the province's decision to include a pair of public pensions as assets.

But the government maintains it is following established accounting practices by doing so.

Sousa says the province will balance its budget in 2018-2019 ahead of next spring's provincial election.

Ontario government's rosy financials grow in a bed of BS

By David Reevely – Ottawa Citizen

Published on: September 7, 2017 | Last Updated: September 7, 2017 **5:26 PM EDT**

(A previous version referred to the President of the Treasury Board as Minister Deb Matthews)

We can't believe the Ontario Liberals' reports on the province's finances, auditor general Bonnie Lysyk says.

"The legislature and all Ontarians must be able to rely on the province's consolidated financial statements to fairly report the fiscal results for the year. This year they cannot do so," she said in a statement rejecting the contents of the public accounts, the formal declarations from Finance Minister Charles Sousa and Treasury Board President Liz Sandals of how much money we've got, how much we took in and how much we spent.

Also, the Liberals can keep their promise to start clawing out from under the province's

mountain of debt, Ontario's financial accountability officer Stephen LeClair says, only if a whole bunch of implausible things happen.

These are just the latest dismantlings of the Liberals' financial forecasts from Lysyk and LeClair, who've made a businesslike routine of pointing out all the extreme assumptions and accounting stretches the government is using to make the books look good in an election year.

That they've got the budget in order is one of the important stories the Liberals will tell about themselves as they try to get re-elected next June. Yes, we've borrowed and spent a lot of money. We had to. We had a recession, and we had to make up for years of Mike Harris's underfunding of important things like health care and schools. We had to build Ontario up. We had to — and still have to — help people in their everyday lives.

But now that we've built a foundation for prosperity, we're also able to balance budgets, pay down debt, and be fiscally responsible, Wynne will say.

She'll need some graphs. The last provincial budget from last spring has them, showing that we're entering a golden age for the Ontario treasury, with a newly balanced budget and bright outlook. By 2030, Ontario's provincial debt will be just 27 per cent of its gross domestic product, down from an all-time peak of 39 per cent, the government says.

Sousa and Sandals re-touted their own financial management Thursday afternoon with the annual release of the government's accounts.

"Thanks to the hard work of the people of Ontario, we are leading Canada in economic growth while investing in programs like free tuition and free pharmacare for children and youth," Sousa proclaimed.

Just hold it right there, Lysyk responded instantly, in a statement she had ready to let fly.

Lysyk and the ministers have been volleying back and forth for a couple of years now over how to count assets on the government books. Without getting too deep into it, what's in question is whether certain public-sector pension plans and some holdings in the electricity system belong to the government or not.

If we do it your way, Lysyk told the ministers, the numbers are what you say they are, sure. But if we do it the way Canadian accounting rules say we're supposed to do it, the government's debt is higher than you say and so's the deficit. In fact, last year's deficit is \$2.3 billion, not the \$900 million you're claiming. Lysyk doesn't make projections about future deficits but the gaps in the two years she's complained about are not trivial.

Onto the next problem. Unlike Lysyk, the completely separate financial accountability officer LeClair does make projections about future deficits — and he's not impressed by the government's numbers, either. The Liberals are assuming roaring economic growth, freakishly low spending on public works and an unprecedented streak of balanced budgets as they promise to lighten the province's debt burden.

“The government’s forecast for a gradual decline in the net debt-to-GDP ratio depends critically on achieving a string of balanced budgets on average over the next 12 years,” LeClair’s latest report says (it came out Wednesday, drowned out by Wynne’s promise to overhaul the school curriculum). “Over the past 30 years, Ontario has rarely achieved successive surpluses or balanced budgets.”

The longest-ever streak, if we take government numbers at face value, was four years of surpluses under Tory governments in the late 1990s and early 2000s. Stuff tends to happen, like recessions that crash government revenues and increased demand for social services at the same time.

The Liberals are counting on four-per-cent growth each year, before accounting for inflation, when the average over the last 15 years has been 3.6 per cent.

“Given Ontario’s aging population and slower expected growth in its labour force, four per cent annual growth may prove to be too optimistic for the next decade,” the financial accountability office says, without even contemplating possible higgledy-piggledifiers such as Donald Trump’s abrogating the North American Free Trade Agreement.

Finally, the government’s expecting to slash its capital spending — for highways, new hospitals and schools, municipal transit, and so on — by 2027. That’ll come after a deliberate megabillion-dollar binge on public works, so “some pullback is to be expected,” the watchdog office says, but it’ll still have to reach exceptionally low levels, just half the past 10-year average of 1.6 per cent of Ontario’s GDP, for the forecast to work out. That should be easy, right?

Here’s the thing. Contrary to opposition criticisms, the Liberals’ financial record is not terrible. Considering what happened to the world economy a decade ago, they’ve done all right. But they set an ambitious deficit-killing target for themselves. To say they’ve met it, they’re forced to dismiss the government’s two most prominent independent financial experts as amateurs and promise a magical future of unlikely growth and stability.

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Ontario says 2016 deficit was \$991M, auditor general says government ‘understating’ deficit

By Shawn Jeffords - The Canadian Press (Global News)

Updated: September 7, 2017 4:31 pm

TORONTO — The Ontario government posted a \$991-million deficit last year — and said Thursday it had beat its 2016 projections by \$3.3 billion.

But the province’s auditor general says the Liberal government is “significantly understating” its deficit, which she pegs at \$1.4 billion.

Ontario Finance Minister Charles Sousa and Treasury Board President Liz Sandals made the announcement Thursday as they released the province’s 2016-2017 public accounts.

The government attributes the results to billions of increased revenue, a cut in program spending, and smaller interest costs to service the province's debt.

In 2016, Ontario's auditor general [Bonnie Lysyk](#) questioned the province's decision to include a pair of public pensions – the Ontario Public Service Employee's Union Pension Plan and the Ontario Teacher's Pension Plan – as assets on its balance sheet. As a result, she has offered a "qualified" opinion on the financial statements two years in a row.

Sandals maintains the government is following established accounting practices and people don't care about the on-going squabble.

· **Ontario says \$991M 2016 deficit beat target by \$3.3B**

The Canadian Press (BNN)
September 7, 2017 – 4:31pm

TORONTO -- The Ontario government posted a \$991-million deficit last year -- and said Thursday it had beat its 2016 projections by \$3.3 billion.

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Sandals maintains the government is following established accounting practices and people don't care about the on-going squabble.

"The public wants to know, are you managing your deficit?" she said. "Is your deficit getting smaller? Are you going to balance the budget this year? Quite frankly, I don't think the public is terribly hung up on accounting disagreements."

Sousa says the province will balance its budget ahead of next spring's provincial election.

"Ontario remains committed, and on track to, balance the budget in 2017-2018," Sousa said. "We're restoring balance through targeted, measured, and fiscally responsible decisions, managing program spending and fostering job creation and economic growth."

Lysyk disputes the government's figures and says "the statements were not prepared following Canadian Public Sector Accounting Standards."

"The legislature and all Ontarians must be able to rely on the province's consolidated financial statements to fairly report the fiscal results for the year," she said in a statement. "This year they cannot do so."

By law, the auditor general must review the province's financial statements each year and given an opinion as to whether they "fairly and accurately reflect" Ontario's finances. When the auditor issues a qualified opinion she believes the statements are "significantly misstated," a statement from her office said.

Conservative finance critic Vic Fedeli says it is clear that the provincial debt is "out of control."

He said in a statement Thursday that the Liberals are thumbing their nose at the legislature's independent experts and presenting their own version of the province's public accounts.

Early Social Media Coverage

Notable Tweets

- **Auditor General ON**

[@OntarioAuditor](#)

Ontario Government Understates Annual Deficit and Net Debt: Auditor General [#onpoli auditor.on.ca/en/content/new...](#)
[2:01pm · 7 Sep 2017](#) · [Twitter Web Client](#)

- **Geoff Zochodne**

[@GeoffZochodne](#)

Hey, among other things, Ontario's auditor general is gonna issue a "Special Report" on the government's "Fair Hydro Plan."

"Auditor General ON
@OntarioAuditor

Ontario Government Understates Annual Deficit and Net Debt: Auditor General
#onpoli auditor.on.ca/en/content/new...

[2:04pm · 7 Sep 2017](#) · [TweetDeck](#)

- **David Reevely**

[@davidreevely](#)

Ah, the auditor-general and the province are still fighting over how to count assets.

[2:07pm · 7 Sep 2017](#) · [TweetDeck](#)

- **David Reevely**

[@davidreevely](#)

This triumphant announcement is poppycock, she's saying.

[<image002.jpg>](#)

[2:08pm · 7 Sep 2017](#) · [TweetDeck](#)

- **Lisa MacLeod**

[@MacLeodLisa](#)

Major hole in the Liberals budgeting as a result.

"David Reevely
@davidreevely

Ah, the auditor-general and the province are still fighting over how to count assets"

[2:08pm · 7 Sep 2017](#) · [Twitter for iPhone](#)

- **John Bowker**

@bowker_john

Replying to @bowker_john

Along with pension asset issue, AG also calling BS on the accounting of hydro assets that do not belong to the Province of Ontario #onpoli

<image003.jpg>

2:19pm · 7 Sep 2017 · Twitter Web Client

- **Deb Matthews**

@Deb_Matthews

Congratulations to @OpenGovON for the first Ontario webpage published under our open licence! Check it out at ontario.ca/publicaccounts

2:20pm · 7 Sep 2017 · Twitter Web Client

- **Alan Carter**

@ACarterglobal

Auditor General says Ontario Liberals "significantly understated" both 16/17 deficit & overall debt.

2:30pm · 7 Sep 2017 · Twitter for iPhone

- **Victor Fedeli**

@VicFedeliMPP

Ontario Government Understates Annual Deficit and Net Debt: Auditor General
auditor.on.ca/en/content/new... #onpoli @OntarioAuditor

4:12pm · 7 Sep 2017 · Twitter Web Client

- **John Bowker**

@bowker_john

Replying to @bowker_john

Since Wynne became premier, ON govt has failed to spend ~\$9B in budgeted infrastructure cash, which she sold Hydro One to raise #onpoli

4:29pm · 7 Sep 2017 · Twitter Web Client

All Tweets – Chronological Order

Han Dong

[@HanDongOntario](#)

The strong financial results of our Public Accounts support our 2017 balanced budget [#ONpoli](#)

[1:47pm · 7 Sep 2017](#) · [Twitter for iPhone](#)

Gabrielle Gallant

[@G_Gallant](#)

Treasury Board Prez Sandals and Minister [@SousaCharles](#) at QP today releasing public accounts. [#onpoli](#)

[1:55pm · 7 Sep 2017](#) · [Twitter for iPhone](#)

Robert Benzie

[@robertbenzie](#)

Liz Sandals and [@SousaCharles](#) announce 2016-17 deficit was \$919M, \$500M less than interim projection. Books balanced for 2017-18. [#onpoli](#)

[1:55pm · 7 Sep 2017](#) · [Twitter for Android](#)

[Toronto, Ontario, Canada](#)

Auditor General ON

[@OntarioAuditor](#)

Ontario Government Understates Annual Deficit and Net Debt: Auditor General [#onpoli](#)
[auditor.on.ca/en/content/new...](#)

[2:01pm · 7 Sep 2017](#) · [Twitter Web Client](#)

Geoff Zochodne

[@GeoffZochodne](#)

Hey, among other things, Ontario's auditor general is gonna issue a "Special Report" on the government's "Fair Hydro Plan."

"Auditor General ON
@OntarioAuditor

Ontario Government Understates Annual Deficit and Net Debt: Auditor General [#onpoli](#)
auditor.on.ca/en/content/new...

[2:04pm · 7 Sep 2017](#) · [TweetDeck](#)

Geoff Zochodne

[@GeoffZochodne](#)

Replying to [@GeoffZochodne](#)

Speaking of...OPG sets stage for possible \$2-billion debt raise tied to 'Fair Hydro Plan'
business.financialpost.com/wcm/a75f97e3-5... via [@fpinvesting](#) [#onpoli](#)

[2:05pm · 7 Sep 2017](#) · [TweetDeck](#)

Open Government ON

[@OpenGovON](#)

Ontario's finances are online; Public Accounts are live at Ontario.ca/publicaccounts

[<image004.jpg>](#)

[2:06pm · 7 Sep 2017](#) · [Twitter Web Client](#)

David Reevely

[@davidreevely](#)

Ah, the auditor-general and the province are still fighting over how to count assets.

[<image005.jpg>](#)

[2:07pm · 7 Sep 2017](#) · [TweetDeck](#)

David Reevely

[@davidreevely](#)

This triumphant announcement is poppycock, she's saying.

[<image006.jpg>](#)

[2:08pm · 7 Sep 2017](#) · [TweetDeck](#)

Aylmer, Ontario news

[@AylmerOntarione](#)

Ontario Releases 2016-17 Public Accounts [#AylmerOntario newslocker.com/en-ca/region/a...](https://newslocker.com/en-ca/region/a...)

[2:08pm · 7 Sep 2017](#) · [ForceTweet](#)

David Reevely

[@davidreevely](#)

Ah, the auditor-general and the province are still fighting over how to count assets.

[2:08pm · 7 Sep 2017 · Twitter for iPhone](#)

[Ottawa, Ontario, Canada](#)

[Lisa MacLeod](#)

[@MacLeodLisa](#)

Major hole in the Liberals budgeting as a result.

["David Reevely"](#)
[@davidreevely](#)

Ah, the auditor-general and the province are still fighting over how to count assets"

[2:08pm · 7 Sep 2017 · Twitter for iPhone](#)

[Ottawa, Ontario, Canada](#)

[Mike Ferguson](#)

[@MikeFerguson4](#)

Good News for Taxpayers: Ontario Releases 2016-17 Public Accounts news.ontario.ca/m/46106

[2:09pm · 7 Sep 2017 · Twitter Web Client](#)

[David Reevely](#)

[@davidreevely](#)

Replying to [@davidreevely](#)

The deficit's actually more like \$1.4 billion says Bonnie Lysyk. The dispute is deep in accounting arcana.

[2:09pm · 7 Sep 2017 · TweetDeck](#)

[Open Government ON](#)

[@OpenGovON](#)

Ontario has released Public Accounts data. Explore [#Ontario](#)'s latest [#datasets](#) at Ontario.ca/publicaccounts

[<image007.jpg>](#)

[2:09pm · 7 Sep 2017 · Twitter Web Client](#)

[David Reevely](#)

[@davidreevely](#)

Replying to [@davidreevely](#)

It has to do with how the province counts assets in certain public-sector pension funds and also held by the IESO.

[2:10pm · 7 Sep 2017 · TweetDeck](#)

Open Government ON

[@OpenGovON](#)

What's new for Public Accounts 2016-17? We're publishing our web pages under [#openlicence](#). Find out more [ontario.ca/page/open-gove...](#)

<image008.jpg>

[2:14pm · 7 Sep 2017 · Twitter Web Client](#)

John Bowker

[@bowker_john](#)

Auditor-General again issues "qualified" opinion on Public Accounts, unprecedented before last year [ontario.ca/page/public-ac...](#) [#onpoli](#)

[2:17pm · 7 Sep 2017 · Twitter Web Client](#)

John Bowker

[@bowker_john](#)

Replying to [@bowker_john](#)

Along with pension asset issue, AG also calling BS on the accounting of hydro assets that do not belong to the Province of Ontario [#onpoli](#)

<image009.jpg>

[2:19pm · 7 Sep 2017 · Twitter Web Client](#)

Deb Matthews

[@Deb_Matthews](#)

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[2:20pm · 7 Sep 2017 · Twitter Web Client](#)

John Bowker

[@bowker_john](#)

Public Accounts reveal that ON govt failed to spend a staggering \$3.3 billion in budget infrastructure cash last year [#onpoli](#)

<image010.jpg>

[2:21pm · 7 Sep 2017 · Twitter Web Client](#)

John Bowker

[@bowker_john](#)

Public Accounts reveal that ON govt failed to spend a staggering \$3.3 billion in budgeted infrastructure cash last year [#onpoli](#)

[<image011.jpg>](#)

[2:22pm · 7 Sep 2017 · Twitter Web Client](#)

Chris Ballard

[@ChrisBallardMPP](#)

Ontario Releases 2016-17 Public Accounts: bit.ly/2xSkxge

[2:26pm · 7 Sep 2017 · Twitter Web Client](#)

Alan Carter

[@ACarterglobal](#)

Auditor General says Ontario Liberals "significantly understated" both 16/17 deficit & overall debt.

[2:30pm · 7 Sep 2017 · Twitter for iPhone](#)

Robert Benzie

[@robertbenzie](#)

. [@OntarioAuditor](#) disputes government's public accounts again this year over a difference in accounting standards. [#onpoli](#)

[2:31pm · 7 Sep 2017 · Twitter Web Client](#)

Nita Kang

[@NKangPC](#)

...and will likely continue to do so. [#onpoli](#)

"[Alan Carter](#) [@ACarterglobal](#)

Auditor General says Ontario Liberals "significantly understated" both 16/17 deficit & overall debt."

[2:37pm · 7 Sep 2017 · Twitter Web Client](#)

OntarioNewsNorth.com

[@ONTNewsNorth](#)

Ontario Releases 2016-17 Public Accounts goo.gl/fb/NxMsPw #northernontarioeconomy #northernontarioheadlines

[2:49pm · 7 Sep 2017 · Google](#)

[OntarioNewsNorth.com](#)

[@ONTNewsNorth](#)

@ONgov Releases 2016-17 #PublicAccounts @ONfinance @SousaCharles @OntarioAuditor @OpenGovON @NorthernPolicy ... karinahunter.com/2017/09/ontari...

[2:49pm · 7 Sep 2017 · WordPress.com](#)

[Derik McArthur](#)

[@DerikUFCW175](#)

Ontario Releases 2016-17 Public Accounts Province Balancing the Budget This Year, Helping Families Get Ahead news.ontario.ca/tbs/en/2017/09...

[2:50pm · 7 Sep 2017 · Twitter for iPhone](#)

[Mary Galati](#)

[@MaryGalati](#)

Ontario Releases 2016-17 Public Accounts: bit.ly/2xSkxge

[3:01pm · 7 Sep 2017 · Mobile Web \(M2\)](#)

[Ann Hoggarth](#)

[@AnnHoggarthMPP](#)

Ontario Releases 2016-17 Public Accounts: bit.ly/2xSkxge

[3:14pm · 7 Sep 2017 · Twitter Web Client](#)

[Metamedio](#)

[@metamedio](#)

Ontario Releases 2016-17 Public Accounts ift.tt/2gLibrz #OpenData

[3:20pm · 7 Sep 2017 · IFTTT](#)

[Webequie News](#)

[@WebequieNews](#)

Ontario Releases 2016-17 Public Accounts - Government of Ontario News [#Webequie newslocker.com/en-ca/region/w...](#)

[3:38pm · 7 Sep 2017](#) · [ForceTweet](#)

Latino Canadian Comm

[@LatinoLdnOnt](#)

Ontario Releases 2016-17 Public Accounts [ow.ly/KRcs30eZz44](#)

[4:04pm · 7 Sep 2017](#) · [Hootsuite](#)

Urban Toronto

[@urbantoronto](#)

Government and auditor general at odds over size of Ontario's deficit: [ift.tt/2ePJ6FV](#)
[4:07pm · 7 Sep 2017](#) · [IFTTT](#)

National Newswatch

[@natnewswatch](#)

Size matters: Government and auditor general at odds over size of Ontario's deficit
[thestar.com/news/queenspar...](#) via [@TorontoStar](#)

[4:09pm · 7 Sep 2017](#) · [Twitter Web Client](#)

The Muskokan

[@TheMuskokan](#)

Ontario's auditor general says the Liberal government is "significantly understating" its deficit.
[fb.me/9g4lXQToq](#)

[4:10pm · 7 Sep 2017](#) · [Facebook](#)

Parry Sound NS

[@ParrySoundNS](#)

Ontario's auditor general says the Liberal government is "significantly understating" its deficit.
[fb.me/2ouAnAagh](#)

[4:11pm · 7 Sep 2017](#) · [Facebook](#)

WorldNews_net

[@worldnews_net](#)

Government and auditor general at odds over size of Ontario's deficit [ift.tt/2ePJ6FV](#) [#TORONTO](#)
[#STAR](#) [#news](#)

[4:11pm · 7 Sep 2017 · IFTTT](#)

CanadianPoliticsNews

[@cdnpolnews](#)

Government and auditor general at odds over size of Ontario's deficit [ift.tt/2vQgJi0](#)

[4:11pm · 7 Sep 2017 · IFTTT](#)

North Bay Nipissing

[@NorthBayNip](#)

Ontario's auditor general says the Liberal government is "significantly understating" its deficit. [fb.me/96dKAdwES](#)

[4:12pm · 7 Sep 2017 · Facebook](#)

Victor Fedeli

[@VicFedeliMPP](#)

Ontario Government Understates Annual Deficit and Net Debt: Auditor General [auditor.on.ca/en/content/new... #onpoli @OntarioAuditor](#)

[4:12pm · 7 Sep 2017 · Twitter Web Client](#)

Merrilee Fullerton

[@doctorfullerton](#)

Ontario's deficit and debt underestimated by billions--Auditor General news release [#onpoli auditor.on.ca/en/content/new...](#)

[4:25pm · 7 Sep 2017 · Twitter for iPhone](#)

Merrilee Fullerton

[@doctorfullerton](#)

News Release from the office of the Auditor General of Ontario

[4:27pm · 7 Sep 2017 · Twitter for iPhone](#)

John Bowker

[@bowker_john](#)

Replying to [@bowker_john](#)

Since Wynne became premier, ON govt has failed to spend ~\$9B in budgeted

infrastructure cash, which she sold Hydro One to raise [#onpoli](#)
[4:29pm · 7 Sep 2017](#) · [Twitter Web Client](#)

AM900 CHML

@AM900CHML

Ontario says 2016 deficit was \$991M, auditor general says government ‘understating’ deficit [glnb.ca/7CYOQL](#)

[4:39pm · 7 Sep 2017](#) · [SocialFlow](#)

AM640

@am640

Ontario says 2016 deficit was \$991M, auditor general says government ‘understating’ deficit [glnb.ca/ABoC4m](#)

[4:39pm · 7 Sep 2017](#) · [SocialFlow](#)

AM980 London News

@AM980News

Ontario says 2016 deficit was \$991M, auditor general says government ‘understating’ deficit [glnb.ca/5GDdXA](#)

[4:39pm · 7 Sep 2017](#) · [SocialFlow](#)

Global News Toronto

@globalnewsto

Ontario says 2016 deficit was \$991M, auditor general says government ‘understating’ deficit [glnb.ca/gjYg0l](#)

[4:39pm · 7 Sep 2017](#) · [SocialFlow](#)

Global Durham

@GlobalDurham

Ontario says 2016 deficit was \$991M, auditor general says government ‘understating’ deficit [glnb.ca/0VkONI](#)

[4:39pm · 7 Sep 2017](#) · [SocialFlow](#)

CJOYMagicNews

@CJOYMagicNews

Ontario says 2016 deficit was \$991M, auditor general says government ‘understating’

deficit globalnews.ca/news/3725978/o...

4:40pm · 7 Sep 2017 · [Twitter Web Client](#)

Michael

[@torontonewsfeed](#)

[#toronto #news](#) : Ontario says 2016 deficit was \$991M, auditor general says government 'understating' deficit ift.tt/2xa6Mvb

4:42pm · 7 Sep 2017 · [IFTTT](#)

PakistanNews

[@PakistanNewsCA](#)

Ontario says 2016 deficit was \$991M, auditor general says government 'understating' deficit pakistannews.ca/ontario-says-2...

4:47pm · 7 Sep 2017 · [WordPress.com](#)

John Bowker

[@bowker_john](#)

Replying to [@bowker_john](#)

The Hydro One money went somewhere, but it sure didn't go towards an "unprecedented" increase in infrastructure spending [#onpoli](#)

4:47pm · 7 Sep 2017 · [Twitter Web Client](#)

Gabrielle Gallant

[@G_Gallant](#)

Hi David! Read your article. You forgot to check who the current Prez of Treasury Board is. Details eh? [#onpoli twitter.com/davidreevely/s...](#)

David Reevely [@davidreevely](#)

This triumphant announcement is poppycock, she's saying.
pic.twitter.com/J6SQv2HkQo

5:15pm · 7 Sep 2017 · [Twitter for iPhone](#)

Alisha Tharani | Corporate Issues Management Analyst

Communications Branch | Treasury Board Secretariat

**Ferguson Block, 8th Floor, 77 Wellesley Street West
Toronto, Ontario M7A 1N3**

T 416-327-3803 | M 647-262-3176 | E Alisha.Tharani@ontario.ca



CO

Transcript_MEDIA EM

Ontario Releases 2016-17 Public Accounts

Province Balancing the Budget This Year, Helping Families Get Ahead

September 7, 2017 1:53 P.M. | Treasury Board Secretariat

Today the province released the Public Accounts of Ontario, showing that Ontario's deficit for last year was \$991 million—\$3.3 billion lower than projected in the 2016 Budget and \$0.5 billion lower than the interim projection in the 2017 Budget.

This is a result of growth in revenue that exceeded growth in program expense, and lower than forecast interest on debt.

Ontario is on track to balance the budget this year, in 2017-18, while making investments in the programs and services people and families rely on most.

Inappropriate consolidation of Independent Electricity System Operator (IESO) market accounts

As described in Note 16c to these consolidated financial statements, the IESO changed its accounting policy and applied it retroactively to recognize market account assets and liabilities. The market accounts track mainly buy and sell transactions between market participants (electricity power generators and power distributors). These market accounts, as recorded on the Province of Ontario's consolidated financial statements are not assets and liabilities of the Province of Ontario. The Government has no access or discretion to use the market account assets for their own benefit, nor does the Government have an obligation to settle the market account liabilities in the event of default by market participants. As a result, Other Assets and Other Liabilities are both overstated by \$1.652 billion (2016 – \$1.443 billion). There is no effect on the Consolidated Statement of Operations.



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\$26.68 spent on education in 2016-17

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News Release

For Immediate Release

September 7, 2017

Ontario Government Understates Annual Deficit and Net Debt: Auditor General

(TORONTO) The Auditor General of Ontario issued a qualified audit opinion on the Consolidated Financial Statements of the Province of Ontario, saying the statements significantly understated the 2016/17 deficit, as well as the Province's net debt.

The deficit is understated by \$1.444 billion for 2016/17 (\$1.831 billion in 2015/16) and the net debt is understated by \$12.429 billion for 2016/17 (\$10.985 billion in 2015/16).

"I have issued a qualified audit opinion because the statements were not prepared following Canadian Public Sector Accounting Standards," Auditor General Bonnie Lysyk said today after the Government issued the Public Accounts of Ontario.

Ontario Releases 2016-17 Public Accounts

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\$12.9B spent on infrastructure in 2016-17

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\$56B spent on health in 2016-17

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Infrastructure expenditures

One of the goals of investing in capital is to improve the economic growth of the Province. A recent study by the Centre for Spatial Economics (CASE), entitled *The Economic Benefits of Public Infrastructure Spending in Canada*, finds that, over the long term, real GDP in Ontario will rise up to \$6 on average per dollar of public infrastructure spending.

The Province's infrastructure spending in 2016–17 was \$12.9 billion (see Table 4). This included \$10.0 billion invested in assets owned by the Province and its consolidated entities, as discussed in "Tangible capital assets" on page 25, \$2.9 billion provided for capital investment to non-consolidated partners such as universities and municipalities, and other infrastructure expenditures. The total was lower than the \$16.2 billion set out in the 2016 Budget because of lower-than-forecast construction activity for the period.

2016–17 Infrastructure expenditures (\$ Billions)				Table 4
Sector	Investment in Capital Assets ¹	Transfers and Other Infrastructure Expenditures ²	Total Infrastructure Expenditures	
Transportation and transit	5.3	0.7	6.0	
Health	2.2	0.4	2.7	
Education	1.6	–	1.6	
Postsecondary and training	0.6	0.3	0.9	
Other sectors ³	0.3	1.5	1.7	
Total Expenditures⁴	10.0	2.9	12.9	

¹ Includes adjustments for the net book value of assets disposed of during the year, as well as changes in valuation.

² Mainly transfers for capital purposes to municipalities and universities and expenditures for capital repairs.

³ Includes government administration, natural resources, social, culture and tourism sectors.

⁴ Includes third-party capital investments in consolidated entities such as hospitals, schools boards and colleges.

Note: Numbers may not add due to rounding.

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