CBC Ottawa Interview With Rob Benzie

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CBO: Depending on who you ask, Ontario's deficit was at $3.5 billion last year. That's according to the Wynne Liberals. Or it was at $5 billion – that's according to the Auditor General. So what is going on here? Well, Rob Benzie is Queen Park bureau chief for the Toronto Star. Hello Rob.

ROB BENZIE: Good morning Robyn.

CBO: So why aren't these numbers matching up here? What's going on?

BENZIE: It's accounting. And who doesn't want to talk about accounting at twenty-five after six in the morning. No one is hitting the snooze button I hope. This is actually a very significant issue though, Robyn. Bonnie Lysyk, the Auditor General, said she could no longer include or she will no longer include on the government's bottom line, the government share of the pension funds that it co-sponsors. It co-sponsors the teachers and the OPSEU's – the Ontario Public Servants Employee Union – pension funds to the tune of about $10.7 billion. The government considers this an asset. Actually, the Auditor General use to consider this an asset. Last year's accounting of the government's consolidated financial statements, she signed off on this. And four previous auditors have signed off on this going back to the year 2001. It's not really clear – although I did talk to the Auditor General yesterday about this – why she can't really count it. She just said she took a clear look at the number and she figured because the government doesn't have ready access to it, it's not really fair to call it an asset. The government strongly disagrees. Anyways, yesterday, they released unaudited – for the first time that I've ever heard of – their unaudited public accounts because she wouldn't sign off on them. They agreed to her number of the $5 billion for last year, the year ending on March 31th. But they said, sort of with an asterisk aside, actually it's $3.5 billion for the deficit. She maintains the net debt is about $305 billion; the government says it's closer to the $295 billion. These are big numbers and it is all accounting. My problem is I don't understand how the Auditor General can say this asset is worth nothing because there is money in it; there's billions it. And the pensions are well funded, and the government does co-sponsor them, so there is some money there.

CBC: You say it's accounting, but it's also turning political too because the PC were very quick to jump on this. We got a statement last night. What did that say?

BENZIE: Progressive Conservatives had two MPPs – Lisa MacLeod from Nepean-Carleton and Vic Fedeli from North Bay – at this announcement yesterday afternoon, this hastily called technical briefing with finance and treasury board officials to discuss this. They believe the auditor. The problem is they would, wouldn't they because they think this makes the government look bad. The problem that I had with it is that according to the auditor's logic, when the Conservatives were in government in 2001, 2002 and 2003, therefore they would have had a multi-billion hole that suddenly has been discovered. That calls into question the public accounts for the last decade and a half. I mean, I think this will be resolved and I suspect it will be resolved sooner rather than later. It's not clear to me what is behind this. The Treasury Board president Liz Sandals says it's not about politics; she doesn't believe it's about politics. But the government does have issues with the auditor. She has been a tough critic of them. And they also reduced her powers, so she has, you could say, a motivation to be a stickler for things that maybe she wouldn't have been otherwise because they took away her authority over government advertising. She used to have a veto over what they could advertise…or her office used to have a veto over what they could advertise and they've sort of watered down those powers, even though they gave those powers to the auditor general a decade ago. It's very inside baseball, but it's also very important because this sends a message that, you know: is the government's deficit this or is it $1.5 billion more than this? That's a big chunk of change. Now no matter what, Charles Sousa says that they will balance the books next year, regardless of how you account for this pension asset.

CBC: Okay, well, let's talk about two other stories that do affect our listeners because a few new rules came into effect in Ontario this past weekend, including a freeze on hospital parking rates. Remind us what the province has announced here?

BENZIE: Well, hospital parking rates have been cut in half for frequent visitors. This is an issue that whenever you and I talk about it or I write a story about it, I hear about it from listeners and readers of the Star, it's something…it drives people nuts because they don't have a choice when they go to the hospital to visit relatives or family members or friends or whatever or themselves if they themselves have to be in. So, for example, five-day pass at Sick Children in Toronto used to cost about $100. That's chopped to $50; it took effect on Saturday and that's at hospitals across the province. And these new rates will be in place until 2019. Conveniently, a year after the next election; go figure. But then they can only rise by inflation.

CBC: But not everybody…not every hospital has these cut rate parking passes. How come?

BENZIE: Because it only affects hospitals that sell these long-term passes and have rates of I think more than $10 a day. So a rural hospital that has parking less than that will not charge…will not be able to charge…will not be forced to charge the lower rate. But this is going to cost Ontario hospitals about $100 million, they figure because they earn a lot each year from parking revenue.

CBC: Okay, just also, very briefly, there has been a change when it comes to fines for driving under the influence of drugs. Tell us a bit more about this.

BENZIE: I was actually surprised these fines had not already been done before. They finally matched up, as of Sunday, the fines for people who smoke drugs or take drugs and drive to what they are with for drinking and driving. So you get a three-day automatic suspension, $180 fine. Given what your previous guest was talking about with, you know, marijuana and so on, it'll be legal next year, it's about time that they sort of acted on this. I know that drugs and driving is going to be a bigger issue, public policy-wise across the country with Prime Minister Trudeau's legalization of marijuana next year.

CBC: Indeed. Okay, Rob, good to talk to you this morning. Thanks so much for joining us a little earlier than usual.

BENZIE: No worries.

CBC: Okay, take care. Bye bye.