Sunday Media Scan: Hydro Rate Reduction - April 30, 2017

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Sunday (Evening) Media Scan: April 30, 2017

MEDIA SCAN: HYDRO RATE REDUCTION PLAN

April 30, 2017

Click links below to view article:

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Toronto Sun: How much will Wynne's next budget cost Ontarians?

Kenora Daily: Liberal investment in health care falls short of Ontario hospitals real needs: Campbell
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Toronto Sun: How much will Wynne's next budget cost Ontarians?

BY LORRIE GOLDSTEIN, TORONTO SUN
FIRST POSTED: SATURDAY, APRIL 29, 2017 09:13 PM EDT | UPDATED: SATURDAY, APRIL 29, 2017 09:18 PM EDT

http://www.torontosun.com/2017/04/29/how-much-will-wynnes-next-budget-cost-ontarians

You have to wonder how much of our money Premier Kathleen Wynne is willing to spend to win re-election next year.

By my calculations, the cost of Wynne's Thursday budget speech to Ontario taxpayers was $9.3 billion, or $422.7 million per page of Finance Minister Charles Sousa's 22-page effort.

Given that, who knows how much it will cost taxpayers next April, considering that will be Wynne's "pre-election" budget, shortly before the June, 2018 vote?

Here are my cost calculations and the reasoning behind them, based on announcements in Wynne's 2017-2018 budget speech:

* $190 million over three years "to help create 40,000 new work-related learning opportunities."

* $1.8 billion, the estimated annual government revenue, paid for by Ontarians in the form of higher retail prices on most goods and services, from Wynne's cap and trade carbon pricing scheme.

* $80 million "to create the Autonomous Vehicle Innovation Network."

* $19 million "to help our greenhouse farming sector invest in innovative technologies."

* $2.5 billion over three years for Wynne's "Fair Hydro Plan", in which she's using taxpayers' money to subsidize the electricity bills of hydro ratepayers, despite the fact taxpayers and ratepayers are the same people.

* $20 million for "respite care to people who volunteer to care for a loved one."

* $200 million for more daycare.

* $1.6 billion this year (based on $16 billion over 10 years) for new schools.

* $200 million over three years for "First Nation, Metis and Inuit ... post secondary education and training."

* $465 million annually for a pharmacare program to provide free prescription drugs to all Ontario children from birth to 24 years of age.

* $150 million over three years for a minimum income pilot project for 4,000 low-income households in Hamilton, Thunder Bay and Lindsay.

* $1.3 billion over three years "to reduce (medical) wait times."

* $518 million "booster shot" for hospitals.

* $85 million over three years for home care.

* $200 million "to improve the energy efficiency of our schools."

No doubt some of this spending is worthwhile and, to be fair, some of it overlaps.

For example, the $1.8 billion in annual revenue from cap and trade will presumably help pay for the $200 million spent to improve energy efficiency in schools.

Taxpayers will also receive partial returns from some programs, such as Wynne's "Fair Hydro Plan", which lowers electricity rates.

That said, all this assumes all the money to be spent on these programs will go where the Wynne government says it will go, in the amounts and during the time frames specified.

On that score, remember it was the Liberal government of Dalton McGuinty, in which Wynne was a senior cabinet minister, that told us the cost of cancelling two controversial gas plants in Oakville and Mississauga prior to the 2011 election, which the opposition parties dubbed "the Liberal seat saver program", would be $230 million over 20 years.

That turned out to be up to $1.1 billion, according to the auditor general.

That's not to mention all the other Liberal spending scandals — eHealth, Ornge, green energy, smart meters — where costs soared beyond estimates.

So hold on to your wallets.

Kenora Daily: *LIBERAL INVESTMENT IN HEALTH CARE FALLS SHORT OF ONTARIO HOSPITALS REAL NEE CAMPBELL*

By SHERI LAMB

Sunday, April 30, 2017 5:33:12 EDT PM

http://www.kenoradailyminerandnews.com/2017/04/30/liberal-investment-in-health-care-falls-short-of-ontario-hospitals-real-needs-campbell

Ontario's 2017 budget doesn't go far enough to begin to fix problems the Liberals created when they took power 14 years ago, according to Kenora-Rainy River NDP MPP Sarah Campbell.

"It's kind of a theme with this budget, the Liberals haven't done anything to undo the damage they've created over the past 14 years so we're still in a worse situation then we were when the Liberals took over," said Campbell.

The 2017 Ontario budget confirmed the province will invest $518 million in hospitals in 2017-2018, a three per cent increase in spending, and invest $9 billion over 10 years in capital grants to support new hospital projects. Campbell said the announced investments fall short of hospitals' real needs.

"The commitment the Liberals have made in this budget is about $300 million short of what hospitals say that they need and the government has essentially pinned hospital funding down to the annual rate of inflation of two per cent," said Campbell. "This would only help hospitals keep things as they are, but it does nothing to recognize and address the nine years of cuts and the four years of frozen budgets that hospitals have had under the Liberals."

But, it's the Liberals "fix" for high energy costs that is most disappointing to Campbell. The budget proposes Ontario's Fair Hydro Plan to start in the summer, which suggests household electricity costs will be lowered by an average of 25 per cent and rate increases will be capped to inflation for the next four years.

According to Campbell, the energy relief appears to be a dressed up distraction and won't solve the real problem of overwhelming hydro costs.

"People are telling me they don't want something gimmicky, which is kind of actually what the Liberals have offered," she said. "They're looking for real, permanent, meaningful change. What the Liberals have offered is essentially a 30-year hydro mortgage with a four-year fixed rate, that does nothing to address the underlying costs and reasons hydro is as high as it is.

“If the government doesn’t take a hard look at what it’s doing and how it’s contributed to high hydro rates, we’re not only not going to get them under control for now, but we’re just downloading these costs and amortizing them over many years onto the backs of our kids and the next generation,” she added.

Even though there are some positive benefits for northern Ontarians in the budget for travel expenses related to OHIP medical trips and for providing prescription drugs for people under 25 free of charge, Campbell said she was disappointed there was no mention about funding for the long-promised Highway 17 twinning project and the cleanup of the river system in Grassy Narrows.

***Timmins Today*: Local Chamber has mixed reaction to 2017 provincial budget**

April 30, 2017

https://www.timminstoday.com/local-news/local-chamber-has-mixed-reaction-to-2017-provincial-budget-600640

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Though some measures in the 2017 provincial budget may benefit Timmins businesses, the lack of long-term solutions for rising costs for electricity, cap and trade, and debt interest payments is a concern for the Timmins Chamber of Commerce.

The Apr. 27 presentation of the 2017 provincial budget by Finance Minister Charles Sousa proposed several items relevant to the Timmins businesses, including:

A commitment of $190 billion in infrastructure spending over 13 years, including a continued commitment to increase the Connecting Links Funding program from $15 million to $30 million in 2018;
Establishing the 2017 budget as a balanced budget, the first since 2008-2009, with commitments to set a trend of balanced budgets in coming years;
Investing $200 million over three years to support First Nation, Métis, and Inuit learners' access to post-secondary education and training, including $56 million for Aboriginal Institutes;
Creating a Career Kick-Start Strategy, which invests $190 million over three years to create opportunities for graduates and to create more internships; and
The previously announced Fair Hydro Plan, which would allow 25 percent rate reduction for some small businesses.
“There are some elements of the 2017 budget that stand to have some positive impact on Timmins businesses, but what's not included is a much greater issue,” said Bender.

“Namely, energy rates continue to be among our members' largest concerns, and while previously announced measures to reduce those rates through the Fair Hydro Plan are certainly appreciated, much more needs to be done. Although some of the announced investments are a step in the right direction, stronger measures must be taken to protect and grow our economy.”

Some positive measures being taken this year include a focus on increasing post-secondary education and training support as a means of addressing workforce shortages -- one of the largest obstacles for Timmins Chamber members, added Bender.

Funding new opportunities for graduates through the Career Kick-Start Strategy will help to tackle this issue, as will the $200 million for First Nation, Métis and Inuit learners' access to education and training.

Similarly, the commitment to increase the Connecting Link funding program to $30 million is welcome, but remains insufficient for communities' needs, said Bender.

This fund assists the 77 municipalities to which the province has downloaded the responsibility of maintaining 350 kilometres of Connecting Links – portions of provincial highways traveling through municipalities.

The cost to repair Timmins' 21.2 kilometres of Connecting Link is estimated at roughly $120 million, but the city was recently refused any funding for its planned 2017 work.

"The budget's lack of specific measures to clarify the use of cap and trade revenues is unfortunate, as these costs represent a major challenge to Timmins businesses' competitiveness," said Bender. "Ontario's regulatory burden is already quite significant, and careful reinvestment of cap and trade funds could help businesses to reduce their costs under this system. These issues must be addressed, and we look forward to working with the provincial government to undertake measures that will support our businesses and our economy."

The government's elimination of the deficit in this budget represents a step in the right direction, but there remains no indication of whether Ontario would seek to pay down its debt.

At roughly $318 billion, the province's debt load means that interest payments will consume ever-greater portions of the budget; currently, interest payments are $11.6 billion per year, and represent the province's largest expense. This has already led credit rating agencies to downgrade Ontario's outlook from stable to negative in recent years.

The Ontario Chamber of Commerce (OCC) shared similar concerns about the growing provincial debt load, which contributes to lower business confidence, according to Richard Koroscil, Interim President & CEO, Ontario Chamber of Commerce.

"Budget 2017 demonstrates that much of Ontario's fiscal outlook will depend on the prosperity of our private sector," said Koroscil.

"The government acknowledged that business investment spending slowed in 2016, though expects firms to increase investment by 3.1 percent, annually, to 2020 – an amount that would outpace growth in real GDP growth and household spending. These assumptions depend upon business confidence – which has fallen precipitously in recent years according to the Ontario Economic Report – and U.S. demand, which is subject to considerable risk given recent comments by American President Donald Trump."

TV Transcripts

None