Media Prep Note: Bill Curry – The Globe and Mail

Date: Tuesday, August 15, 2017

Time: Briefing: Over the phone 10:25AM// Interview: 10:30AM-10:40AM
Carly to call Jenn for the briefing at 647-299-5435

Location: Phone
Bill's Number: 613-566-3617

Prepared by: Jenn Beaudry
Reviewed by: Rebecca MacKenzie

Premier,

At 10:30AM you will briefly chat with Bill Curry from the Globe and Mail about Ontario Municipalities' call for an increase in the HST to fund local infrastructure projects.

Below is both messaging and Bill's story for your reference.

The goal of this interview is to have you on the record before your fireside chat to completely shut down this idea. You can be explicit is saying that you would never consider this proposal when you are trying to get people ahead in this province.

I will be with you for the briefing and interview. As always, please let us know if you have any questions. Jenn can be reached at 647-299-5435 if you have any questions.

Jenn

<u>Messaging</u>

Not for a minute, not for a second would I consider it. The only direction I would consider taking the sales tax is down, not up.

Look, we're trying to help people get ahead. And so it's just not fair to even consider this.

Especially at a time when we're making the largest infrastructure investment in the history of the province. 190B over next 13 years.

To put that in perspective, the federal government is investing about that same amount, but spread across the entire country. We're also increasing transfers to municipalities and continuing to upload services.

I'm working on making things fairer. And providing opportunity.

That's we cut hydro bills by 25 per cent. It's why we're boosting the minimum wage. It's why we have free tuition and we're rolling out free prescription drugs for kids and youth. People are trying hard to get ahead. We've got to help them

Ontario municipalities call for sales-tax hike to fund local projects

BILL CURRY
OTTAWA — The Globe and Mail
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Ontario municipal leaders are calling for a 1-per-cent hike in the HST that would raise $2.5-billion a year for local infrastructure.

After several months of internal debate, the Association of Municipalities of Ontario officially launched a campaign Monday in favour of the idea at a convention in Ottawa.

The proposal would see Ontario raise its share of the Harmonized Sales Tax from 8 per cent to 9 per cent. The federal share would remain unchanged at five per cent, raising the total sales tax to 14 per cent.

"This is what we feel is the best option," AMO President Lynn Dollin, who is also deputy mayor of the Town of Innisfil, said in an interview.

The proposal is in response to a specific request that Ontario Premier Kathleen Wynne made to the organization at last year's AMO conference in Windsor. At that time, the Premier urged municipal leaders to have an internal discussion about what type of "revenue tools" they may need in the future.

"What we will say to all the parties is 'this is our best idea,' " Ms. Dollin said. "If you've got a better idea, let's hear it."

But just hours after Ms. Dollin promoted the plan on stage at the conference, it was rejected by the Ontario government.

"We will not be increasing the HST," said Jessica Martin, a spokesperson for Ontario Finance Minister Charles Sousa, in an e-mail. Ms. Martin said Ontario has already promised to double its gas-tax transfers to municipalities beginning in 2019.

"With more money coming down the pipes each year, municipalities can better plan and invest to meet their local needs," she said.

According to the AMO, the alternative to raising the HST would be a major increase in property taxes over the next decade just to maintain existing services.

On Tuesday, Ms. Wynne, Progressive Conservative Leader Patrick Brown and NDP Leader Andrea Horwath will all address the conference and are expected to be asked for their opinions on the HST proposal, as well as the general call from municipalities for more funding. The next Ontario election is scheduled for June 7, 2018.

Earlier this year, the Toronto Sun reported that the Ontario Liberal government's Ministry of Finance surveyed Canadians in March, 2015, for their thoughts on raising the HST by 1 per cent, provided that the federal government dropped its share by 1 per cent. The poll found only three in 10 supported the idea and that most Ontarians said a tax increase would be unacceptable.

On Monday, the AMO released a Nanos poll that it commissioned showing that while Ontarians do not support a higher HST to fund the Ontario government, they would support a hike if the money went to municipal infrastructure.

The poll found 74 per cent oppose and another 10 per cent somewhat oppose raising the HST for the Ontario government to spend as it sees fit. However, when asked whether they would support a 1-per-cent HST increase if the revenue is to be solely dedicated to municipal governments for infrastructure, 54 per cent of respondents said they support the idea and a further 19 per cent said they somewhat support an increase.

The random telephone survey of 1,000 Ontarians was conducted between June 2-13 and has a margin of error of plus or minus 3.1 percentage points, 19 times out of 20.

Federal Infrastructure Minister Amarjeet Sohi, who spoke at the conference Monday, said it is not up to Ottawa to comment on how Ontario should handle its component of the HST. He noted that Ottawa has increased its share of funding for major projects in order to alleviate some of the pressure faced by municipalities.

"I cannot go into the provincial and municipal relationships," he said in an interview. "We are trying to help municipalities as much as we can to relieve pressure on property taxes."

Topline Fairness & Opportunity / US Engagement Messaging

You've heard a lot from us over the past several months. I've been talking about different elements of our plan to build a better Ontario and the thread that connects all of these pieces is fairness.

What I hear – no matter where I am in the province is that people are feeling uncertain about the future. They are anxious about their own jobs and about what the future holds for their kids.

Ontario's economy is in a good place – outperforming every other province in Canada. Our unemployment rate is at its lowest point in 16 years.

But there is also a lot of change and uncertainty – about the nature of work, about what's happening in the U.S. with Trump and trade, about the cost of living rising faster than people's paycheques.

It is tough for people to feel like they're getting ahead right now – and even those who do feel like they're doing OK still worry about staying ahead.

With this uncertainty, we have to protect our people as best we can.

We need to make sure that people across the province feel like they are benefitting from the strength in our economy.

We need to address the concerns of those who worry about falling behind, even as they work so hard to get ahead. To make life in Ontario fairer and create more opportunity for everyone.

You've heard me say it before. I believe government must be a force for good.
That's not a slogan – it's what drives me every single day.

We worked very hard to bring the budget to balance this year – people across the public service, across the province worked hard together to do that.

And what that balance has allowed us to do is invest in the areas that will have the biggest impact for people across the province

Free tuition for more than 200,000 students

Getting 100,000 more kids into childcare so their parents can work

Free prescription drugs for everyone under the age of 25

A pilot project to test whether a Basic Income is a fairer, more effective way of helping people get ahead

A Fair Hydro Plan that takes 25 per cent off people's bills

A Fair Housing Plan to make buying or renting a home in Ontario more affordable

And a plan for Fair Workplaces and Better Jobs that includes raising the minimum wage to $15 an hour

All of these things are connected. The motivation behind each of them is the same.

We can do better in Ontario. We can build a province where people do feel optimistic about the future because there is security and there is opportunity.

I have also been actively reaching out to my Governor colleagues in the U.S. to ensure that they know how important free and balanced trade is to our workers and businesses.

In July, I attended the National Governors Association Meeting in Providence, Rhode Island, where trade was top of mind because our economies are so closely linked.

I will stand up for the people of Ontario and defend free and fair trade at every opportunity because we all know that it is good for both economies, creating millions of solid, good-paying jobs on both sides of the border.

There are over 28 states for whom Ontario is their first or second-largest trading partner. I have had conversations now with over twenty U.S. governors who do a high volume of trade with Ontario, and all of them agree that we need to build on the strong, open trading relationship we have.

We successfully convinced New York State not to proceed with wide-ranging discriminatory Buy American legislation

It has been a team effort and I am confident that our state partners are hearing us

NAFTA negotiations begin this week, and no-one has any illusions that this will be easy, but we are prepared and actively engaged throughout the process.

As Premier, I am absolutely committed to defending the free trade that benefits both of our economies and to find ways to make that agreement even better for Ontarians.