Hansard: Fedeli to Wynne (Sousa) -- 2018 Budget

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INSTANT HANSARD

>> Vic Fedeli: Thank you and good morning, Speaker. My question is for the **Premier**. Well, another week, another damning report is out on the government's faulty fiscal record. This time we hear the truth from the financial accountability office. The F.A.O. Agrees with the auditor general. They, too, forecast a $12 billion deficit for 2018-19, Speaker, twice what the government has said the deficit will be. The government did not slay the deficit as they claimed. Speaker, in fact the only thing they slayed is any credibility of trust or credibility. The government told us one thing when both legislative officers told us the truth, which happens to be a completely --Picture. Speaker, why does this government think it can get away with presenting inaccurate numbers to the people of Ontario?

>> **Premier** Wynne: Thank you very much, Mr. Speaker. I not Minister of finance is going to want to speak to this issue in the supplementary. What I want to say, Mr. Speaker, is that we thank the financial accountability office for their annual economic and budget outlook and we're pleased Mr. Speaker, Mr. Speaker, and I'm going to quote from the report that he notes that this year and I quote -- the Ontario economy recorded the strongest pace of growth since the early 2000s and that, and I quote, job growth surged last year with 128,400 net new jobs, Mr. Speaker. So the reality is our economic growth has outpaced that of mostountries in Europe, Mr. Speaker, and in North America. Our unemployment rate is at a 17-year low, Mr. Speaker. Now we know that everyone has not benefitted from that, and we have made a deliberate decision to invest in the people of this province, Mr. Speaker. To invest in their care. And I thank the financial accountability office.

>> Vic Fedeli: Back to the **Premier**. Actually the financial accountability office was quite revealing. Their report provided evidence, Speaker, that the tale the **Premier** has told this House about why they're running a deficit is not accurate. The **Premier** said she chose to run a $6.7 billion deficit this year, saying it was for infrastructure. But the F.A.O. Revealed, for the first time, that that is not true. The F.A.O. Revealed that the government already had a $3 billion deficit for 2018. This government thought it could get away with that again and got caught. Speaker, now that the F.A.O. Has exposed this, isn't the **Premier** the least bit red-faced for being caught red-handed?

>>Minister Sousa: Mr. Speaker, we do thank the financial accountability officer for their report. He does highlight the fact that Ontario's economy is of course the strongest pace of growth since the early 2000s. He does cite the fact that our job growth surged last year with 128,400 net new jobs. Indeed, Mr. Speaker, we are leading North America, United States and Europe in terms of our G.D.P. Growth and the F.A.O. Acknowledges that some of the investments that we're making are tremendously significant to our economy and to our society, Mr. Speaker, including the benefits of supports for pharmacare and supports for skills and training. Furthermore, he has adopted the position of the auditor general, which is in dispute with independent world-renowned accounting firms, Mr. Speaker, including members of the Canadian accounting standards board. Who provided evidence and indication that the principles of accounting that are being adopted are accurate. We're proceeding as such, Mr. Speaker .

>>Vic Fedeli: Well, Speaker, the report also confirmed our job numbers to go down to 60,000 a year in the coming five years as well. That's something that was also presented in the budget. So the long-term outlook is quite different. But, Speaker, on page 15, on page 15 of the economic and budget outlook, this is where the truth is exposed, Speaker. The government told us that $6.7 billion in deficits was for infrastructure. That is simply not true. In the F.A.O. Report they show that 3.7 billion is what the promises develop into a deficit and that $3 billion was a hidden deficit for the year 2018-19. Speaker, 3 plus 3.7 is 6.7. They had a $3 billion deficit. Why did they try to hide the $3 billion deficit from the people of Ontario?

>>Minister Sousa: Be very clear, we have built lots of prudence. We have reserves. We have contingencies. The auditor general himself and th F.A.O. Has noted that we are very cautious in our assumptions that and that they're reasonable. They stated that. We are talking about two issues at dispute. One around pension assets and another around the degree of rate regulated accounting. Both of which are associated with independent auditors and experts who are saying it is absolutely fine to proceed as such. Those are policy decisions that werade, and in the case of pension assets, that is an issue that's ongoing for 20 years, even when the Conservatives were in power, Mr. Speaker. They assumed exactly the same accounting principles. We have not done anything other than provide full disclosure. They've had clean audits with the O.P.G.. The auditor general has agreed that it was accurate. We're going to proceed as such, Mr. Speaker. We have full disclosure. Full access. And we have a surplus, Mr. Speaker .