FW: Question Period - fact check

From: "Hosick, Sarah (TBS)" <sarah.hosick@ontario.ca>
To: "Veinot, Cindy (TBS)" <cindy.veinot@ontario.ca>
Date: Wed, 25 Apr 2018 12:24:32 -0400

Hi Cindy

See below transcript from QP where the Minister essentially says verbally what we had taken out of the statement this morning. While it's not relevant to the PER, do we need to correct the record on this?

Happy to chat when you get back

Sarah

From: Miller, Amanda (TBS)
Sent: April 25, 2018 11:53 AM
To: Hosick, Sarah (TBS)
Subject: Question Period - fact check

Hi, Sarah,

I have inserted below the draft transcript from QP this morning. Can you review and confirm whether the Minister has accurately characterised the issues? Seeing some of the language I know we went back and forth on, and noting our MO has reached out to confirm as well, we'd appreciate any advice re: whether the record may need to be corrected at some point. If it's easier to discuss by phone, for clarity, you're welcome to reach me at x68538.

Thanks!

Amanda

MPP Vanthoff (NDP) to Minister McMahon (TBS) re: Pre-Election Report

>> MPP Vanthof: Thank you. My questn is to the **Premier**. First of all I'd like to thank the auditor general for her work on behalf of the people of Ontario. Today she reported that the government's pre-election -- that the government's pre-election report is, quote, not a reasonable presentation of Ontario's finances. And that's pardonly because the government is using a complicated private financing scheme to keep billions of dollars of hydro debts off the government's books. Not only does this scheme wa $4 billion for no other purpose than to hide this debt. It clearly violates public accounting standards as the government knew it would. Why is the **Premier** hiding the truth about what his $40 billion hydro borrowing scheme -- I withdraw. Why is the **Premier**, um -- Why is the **Premier** involved in this $40 billion hydro scheme which will cost the public even more money?

>> Minister McMahon: Speaker, thank you very much to the Honourable member for his question. And I think it's important, Speaker, to just remind, the pre-election report really is an important opportunity for the auditor general to give us some verymportant advice, Speaker. The accounting practices that the member opposite talks about have done some really important things for our economy and for ratepayers, Speaker. Because this

change in the ieso's accounting practice has eliminated a second set of books that was previously kept, has brought greater transparency to $17 billion worth of transactions. Furthermore it's consistent with the accounting practices every ieso's predecessor the O.P.A.. We respectfully disagree with the auditor general on this, Speaker. We made a significant policy decision to lower the cost of energy for Ontarians, Speaker. And that is a decision that will stand. Thank you, Mr. Speaker.

>> MPP Vanthof: Again to the **Premier**. The **Premier**'s $40 billion hydro borrowing sch does not permanently lower bills for Ontarians. Over the long run, it will add $40 billion in hydro debt and interest onto bills, which will have to be repaid once again by the people who use hydro. The government is needlessly wasting $ billion on private financing schemes whose sole purpose is to keep that debt off the government's books. Instead of violating public sector accounting standards, why won't the **Premier** just tell T Ontario public the truth, that their hydro bills have not really gone down, but over the long run will skyrocket higher than ever before?

>> Minister McMahon: Thank you, Mr. Speaker. I want to go back to the premise of this rept, Speaker, and remind the member opposite that the auditor general actually, in issuing her report today, underscored the fact that our government has prepared our books with a degree of prudence that she underscores as being extremely important. So that's an important piece of context. You know, Speaker, when the public accounting standards, as deloitte pointed out, are silent on the question of how to account for the impacts of rate regulation, it is appropriate for a public sector entity -- and this is their opinion, Speaker -- to select accounting policys that would result in the recognition of the impacts of rate regulation. This again, Speaker, is an area of disagreement with the auditor general that we have another area of disagreement with her as well on pensions. We are please today have a report today. We respect her opinion. And we, again, you know, underscore the fact that this is an act of transparency on our part to publicize this pre-election report, something Ontarians previously didn't have. Thank you.