Minister Sandals' Speaking Points for Cabinet

October 5th, 2015

- I am pleased to present to you today the final financial results for 2015-16, which will be tabled with the LGIC later today, and released on October 6th.

- I am proud to tell you that these results will once again demonstrate to Ontarians our commitment to taking strong action to eliminate the deficit.

- Ontario's final deficit figure for 2015-16 is $5 billion which is $3.5 billion lower than projected in the 2015 Budget and $0.8 billion lower than the interim projection in the 2016 Budget.

- This marks the seventh year in a row Ontario has beaten its deficit target. This success is due to our ongoing collective focus on managing growth in spending. The results show program spending and the deficit are lower than projected in the 2016 Budget.

- The Auditor General's audit report states that the 2015-16 results are fairly stated in accordance with public sector accounting standards, but she does qualify her opinion in relation to the comparative 2014-15 results which have not been restated. This qualification reflects the AG's position that the accounting change represents an error correction to the financial statements for the past 14 years which under PSAB would require retroactive restatement.

- The Province's accounting treatment is consistent with the regulation passed late last month which specifically states that the pension adjustments are only for the 2015-16 period (as at April 1, 2015).

- The Province does not agree with the Auditor General's interpretation of PSAB accounting standards for jointly sponsored pension plans, and has used regulated accounting as a cautious approach to reporting the results for 2015-16 in light of this on-going disagreement.

- Over the coming months, the Province will initiate an independent expert panel to assess the appropriate application of PSAB standards to our pensions. The report of the Panel will help to inform financial reporting decisions.

- To help Ontarians better understand their government's finances, new digital tools have been developed that present the Annual Report data in innovative, visual formats. These tools make Ontario's finances easier to understand, access, and use, and are part of Ontario's commitment to Open Government.

- We know there is more hard work ahead to eliminate the deficit by 2017-18, and we will make the tough but necessary decisions to ensure our Province continues to grow.

- Our path to balance is focused on Program Review, Renewal and Transformation, managing compensation costs, and maintaining tax fairness and a level playing field for business.

- I will continue to work closely with my colleague Minister Sousa, and members of the PRRT sub-committee of Treasury Board to manage government expenses and achieve our savings targets, while protecting and improving the services that matter to Ontarians.

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