Minister Sousa, MPP Fife Respond to Job Numbers

January 6, 2017

Time / Location:

10:30 a.m. / Media Studio, Queen's Park

Speakers:

Minister Sousa; MPP Catherine Fife

Media Attendance:

Print – 4 TV – 4 Radio – 0

Media Outlets:

Zochodne – QP Briefing; Smith Cross – QP Briefing; Nanji– QP Briefing; Bliss - CTV Ontario; Rath - CHCH Television; Cruickshank – iPolitics; two unidentified.

Statement by Minister Sousa:

Great to see you all. Every month we come out with job numbers and even though they fluctuate month to month we always remind us that it's the long term trends that matter most. That being said, growth in full-time jobs increased over 20,000 this past month. Even though Ontario's unemployment rate actually increased slightly to 6.4 percent, but for the 20th month in a row we're below the national average. And the trends continue to paint a long-term picture of continuing growth. Since last year, we are up 80,000 net new jobs here in Ontario, and since the depths of the recession in June of 2009, we've added over 669,000 net new jobs in the province. And of those 669,000 jobs, about three quarters are in the private sector; about 90 per cent are full-time and almost 80 per cent are in above-average wages. And despite volatility in the global economy, it's our diversified economic position and the investments that we continue to make in our economy that enables Ontario's economy to grow. In fact, we've continued to be one of the fastest-growing economies in the country, and private-sector economists expect that it will continue over the next two years. In 2015 for example our GDP increased by 2.5 per cent, and that was faster than any other Canadian province. And these latest job numbers show again that we're on the right track and as we start a new year it's appropriate to reflect on certain accomplishments.

For example Thomas Reuters (sic) is relocating their global head office to Ontario and establishing a new technology centre with plans to grow the footprint to about 1,500 new jobs of highly-skilled workers. GM chose Ontario workers' expertise in advanced manufacturing engineering when they decided to expand in Markham and hiring 700 more new engineers. We saw employment increase by 12,000 in Hamilton and over 13,000 in Oshawa last year just to name a few. And it's further proof that our plan to invest in our people, invest in modernizing our infrastructure, investing in building a strong climate for business, is paying off. It's making us more competitive with other jurisdictions abroad and in Canada. Businesses are choosing Ontario and we'll continue to work to make sure it stays that way.

But even with these positive trending numbers and indicators, will – there's still many Ontarians looking for jobs and some regions are still facing challenges. That's why we'll continue to work to ensure that economic prosperity is shared more widely. We'll continue to take a balanced approach to make and create conditions for inclusive growth. Eliminating the deficit is a key part of our plan. For seven straight years we've beaten our deficit targets and we're on our path to balance. We're on track to balance the budget next year and the year after. And we're doing so by continuing to foster a more innovative and dynamic business environment to create those conditions for economic growth without sacrificing government services and social programs that Ontarians rely on. We help grow the economy and create well-paying jobs by being a leader in our ever-demanding low-carbon economy while helping reduce unnecessary costs and burdens to Ontario businesses by continuing to implement our business growth initiative.

So while today's job numbers are again up this month and the year-over-year results continue to be a

strong indicator of economic growth, it is the fact that people are working together and we're making those appropriate investments in a balanced way, and that I believe is heading us in the right direction by creating jobs and building more prosperity for all Ontarians. And with that I'd like to thank you and take questions.	
Media Questions:	
Q. Smith Cross: Minister I was wondering if you could give us the latest on –	Sorry?
Q. Smith Cross: I was wondering if you could give us the latest on Canada Health Transfer talks.	The Canada Health Transfer?
Q. Smith Cross: Talks. If there are any – is there any developments?	So it's ongoing, ongoing to the extent that we now put forward our request to continue to meet. (Inaudible) discussion. There were two proposals on the table in our last talks. It wasn't just the federal proposal. We – I – personally tabled the proposal to look at the evidence-based results saying that, you know, there's going to be more challenges and it's – I believe – important for us to work together for something that's cherished by all Canadians which is a universal health care system. And so seven provinces and three territories stand united to call upon the federal government – in this case with the prime minister and the first ministers – to reassess what's happening because there was no negotiations. It was just a unilateral decision by the federal government to suggest that we eliminate what is now an indexed system to accommodate for cost-of-living expenses as we proceed forward over the next 10 years, eliminate that and make it a flat rate of only 3.5 with no risk to the federal government but tremendous risk to the provinces where 40 per cent of our budget is health care. Ontario's done a lot of transformations in home care and mental health. We're putting in $30 billion over the next five years in those two programs alone – I and the Federal proposal, as a counter to that, is 1.9 billion. There's a huge gap and we have to foster a more collaborative approach. It's how the Federation works, it's how the federal government ran in the last election to foster those discussions - it's what we would hope would have happened in the last go around. In fact the first ministers met and postponed the health discussions to the finance ministers and health ministers in December – and those those discussions weren't had. So we're continuing to be at the table. We continue to request the federal government to negotiate something that's more substantive and reduces that gap. I mean, their proposal reduces the federal government's participation from 23 percent today nationally down to 20 percent of concretions. The provinces are footing the bill for over 80 percent of health care. So we need to do better.
Q. Smith Cross: Following up on that – are you feeling betrayed by your counterparts out East who have come to agreements?	I'm more disappointed with the federal government taking this divide and conquer approach. I mean, the provinces that have signed on in a bilateral agreement have signed on to a

	me to class. They wouldn't sign if they knew that they weren't eligible for a better deal. And frankly, this is a federation. We're talking about a health accord for 10 years for future generations. Right now the proposal is temporary with no guarantee. So I – and we've asked that it be flowed through the CHT the Cadillac Health Transfer Act, and enable us to have that indexation to minimize the risk of increased costs while taking the transformative measures that we've done in Ontario. We have taken many steps to transform health care, to provide more for more home care and we've changed changes to the drug plan. We've done a number of initiatives in building new and more efficient hospitals. There's a lot things that we've done and we just need a partnership with the federal government to recognize that, and not provide for, in essence, what is a cut over the long term.
Q. Smith Cross: Speaking of the long-term (inaudible) released a handy graph the other day that shows how this problem worsens over time.	Correct
Q. Smith Cross: um, can you speak about your decision to stand firm and what that means for the government – whoever's in power five years ago when the gap gets wider?	That's a great question. And it's why we're putting forward the – the evidence. This is not something that the provinces are, are, are just saying without any backup. In fact, we question how the federal government arrived that their number - when all evidence indicates – by Conference Board of Canada, Fraser Institute the Parliamentary Budget Officer and others – saying, you know, demands on health care are going to rise. That gap widens about $30 billion. And if we had an opportunity to actually have a negotiation, we'll probably come to an agreement. But if it's just take it or leave it – and the amount that's being proposed the provinces results in a cut and a minor influence to Ontario - we're saying, we would rather continue with the 3 percent escalator, which is what it's been reduced to, which gives us some – some added benefit if in fact costs go up. Um, so next steps – we're hopeful that, you know, the discussions will be on; will be had. And we're hopeful that the federal government recognizes that universal health care is cherished by Canadians and families all across Canada. Used to be a 50 50 split – their proposal to go down to 20 percent is what's being put on the table; puts it in jeopardy and we don't want to risk healthcare, it's too important to all of us to go.
Q. Bliss: Minister, (inaudible) days ago, the FBI and Homeland Security released a list of IP addresses around the world that they say Russian government hackers had access. And on that list was an IP address for Hydro One. How seriously does your government take the threat of malicious cyber activity from outside, sabotage. Hacks?	We take it very seriously. In fact we've taken hacking very seriously even with the OLG recently. And we've taken measures to curb the activity and address them to the degree of which Hydro One's in jeopardy we've come to understand that everything's fine. Nothing has been disrupted and the system is not at risk. But the fact that it's being noted alongside many other things that I guess the Russians have been doing of late. I don't know the extent of the involvement frankly. But you know it's been noted it's a

	threat that we're taking seriously, we're going to address it. And I'm told that conditions are in such that it's being protected.
Q. Bliss: Overall as a government do you guys have a plan to, an ongoing plan to build walls and secure government information whether it's the electricity grid or personal health data?	Absolutely it's one of the reasons that Deb Matthews is the minister responsible for digital economy. And we're trying to get the house within the new economy and within the new digital world with the proper safety measures. At Treasury Board we spend a lot of time and money on this issue and we have, we take every step to address it. We have been very sensitive to it. The federal government is also very sensitive to it. And so it's a major plank of the things that we're doing to prioritize, to protect, and to modernize. I mean bottom-line is we're also taking efficiencies in the way we proceed in the digital world and some of these risks have to be addressed and walls have to be protected.
Q. Zochodne: Minister to go back to the health funding issue yesterday the federal finance department put out some numbers that suggest that the federal government's going to be running deficits well into the 2050s and that the debt's going to, you know, it's going to be like 1.5 trillion or something like that. Do you buy that or do you think this is just a bargaining tactic?	So the federal government is highlighting some challenges that are being faced in the economy long term. Ontario will release its long term report in the coming weeks and part of that challenge that they're facing is some regional disparities that occur because of the commodity pricing and the economic differences. Ontario has been leading the way and B.C. and we've had some, we've made appropriate investments to foster that growth. But the fiscal imbalance is much greater with the provinces than it is with the federal government. So we've addressed some of those challenges we're taking the necessary steps to protect those interests and we have had to run deficits to stimulate growth. The federal government is now suggesting that well, we're going to download in essence to the provinces and the risk more importantly. The uncertainty is what's causing us even more trepidation because the volatility of health care is such that we have to protect it. So the fiscal imbalance is great. They have the wherewithal and the means by which to make appropriate decisions to prioritize their investments. And I think infrastructure investment and healthcare investment are priorities. Those are the two things that the federal government has been trying to negotiate with the provinces and both of them they've been unilaterally-made decisions that haven't really provided the benefit that we were looking for. So I think there's more that can be done and I think we have to have that discussion.
Q. Zochodne: But the federal government seems to be suggesting that the cupboard's bare. There's no more money left to it to increase the annual health transfer (inaudible) what it is they put on the table already. Do you, again, do you think they're just bluffing? Do you think there is actually more money that they can give to you or have they hit their limit?	The provinces are even more restricted. I mean we're talking about one taxpayer. (inaudible) Ontario even when it qualifies for equalization still gives the rest of the federation almost $11-billion more than it takes in. Ontario has been a net contributor to the rest of Canada. And for the federal government now to suggest that somehow they don't want to take a partnership in the health arrangements, which is partly their responsibility even though as part of the jurisdictions of the province, is concerning. I mean we need to have a stronger partnership and a collaboration with the federal government around this very issue. And Quebec,

	Ontario, British Columbia, Alberta, Manitoba, the major provinces and the three territories agree that to dismiss the priority of most Canadians, and most taxpayers, by suggesting that we're going to cut health care supports to the provinces, I think is inappropriate. It's too important an issue for us to just dismiss. We need to have that discussion.
Q. Rath: Minister there's been a fair amount of public outcry over the increased costs caused by cap-and-trade kicking in. Is there a possibility that the increased expenses that people have to pay now which are essentially new taxes, is it going to slow the economy?	Is it, sorry?
Q. Rath: Could it slow the economy?	So let's put it in perspective; the federal government requires some form of printing of carbon pricing, some form of premium, right across Canada. Ontario has decided to participate with the western climate initiative, alongside Quebec, California, in a cap-and-trade area which provides for lower costs, more efficient costs, than attacks. Patrick Brown's alternative is actually four times more expensive than the cap-and-trade system that we're putting in place, and it results in lower emissions. We know what happens in British Columbia; their mitigation their offsets haven't reduced emissions. So we are proceeding to do something that's going to be required anyway across Canada. We've seen that there's been positive results in California and elsewhere that have instituted cap-and-trade at the wholesale level and it has created a new economy. I mean we're embracing the low carbon economy; we're leading in the low carbon space. Ontario's actions with the elimination of coal has put us on the map as one of top jurisdictions around lower emissions, which enables us to get it to cap-and-trade at less costs without impacting electricity prices as a result to the low carbon emissions and the cap-and-trade allowances. So we've taken the steps necessary and I believe it's important that we do something to not only grow the economy but to reduce emissions and help the environment.
Q. Rath: What do you say to people who say, you know, I can't afford gasoline; I can't afford to heat my home; we're not spending money in other areas because we're forced to spend on basic necessity.	A condition of the cap-and-trade program by law is to reinvest the money, dollar for dollar, into those very programs that promote lower costs, promote more efficiencies in the system and lower overall emissions. And as you know we've got a number of mitigation programs now in existence. For example the Ontario energy and property tax credits, the low carb low income energy assistance program, the same Ontario energy home assistance program and waterproofing program as well as the Northern Ontario energy program. All of which provide for assessing lower costs and starting January 1 we're reducing the HST portion of the electricity bills – All of this in an attempt to accommodate households. At the same time

IESO-N-0047141

	for businesses we have allowances that are being offered with the cap-and-trade system to enable integration. And we've already advanced $300 million dollars to the green fund, which is enabling us to foster that transition.
Q. Bliss: Minister a lot of the fees have gone up in 2016 and are going up in 2017, whether for driving a car, hunting, fishing, even lost form, lost document. Is that just another way of raising taxes on people? How do you justify this to the average person out there how goes to do something they've been doing for years and they go why is that going up?	So we were sensitive; I'm very sensitive to the degree of households being able to afford everyday living. It's one of the reasons we introduced for first time homebuyers for example the doubling of the tax credit to $4000. It's why we eliminated the drive clean fees. That's why we're doing more to reduce overall costs and businesses, which has a trickledown effect to consumers as well. That's why we limited the 8 percent on home heating and electricity bills I should say. All of this is an attempt to make everyday life a little bit more affordable. But the biggest thing we can do is what is being even announced today, which is creation of more jobs; high paying jobs at higher value pay to provide for greater incentive of economic growth. And the people of Ontario and I recognize that some are still having struggles and we need to make that more inclusive. And I think that's more important.
Q. Bliss: Why then go after these fees though?	User fees?
Q. Bliss: Yeah.	I mean most of the user fees I think you mentioned are in keeping with – like they haven't been touched for 20 years and there's inflation that's built into them and we're just trying to have cost recovery in the very programs that we're offering. It's not something more than that.
Q. Nanji: Minister, this year new fundraising rules also kicked in. I guess the latest numbers from election Ontario show the PCs have far outpaced the Liberals. Does that worry you, I guess is the question.	Fundraising is a democratic process. You we've been and I have been a large contributor and fundraiser throughout the years I've been in politics. It's a necessary part of the process. We're changing the way it's done, and we're changing the ability and the impressions of the access, which hasn't been the case. However during the lead up to the change the premier very clearly stated to all ministers and individuals – no more private fundraisers; make it very public and, you know, ensure that we now start to comply with the new structure come January 2017. Patrick Brown on the other hand did plenty of private fundraisers; continued to proceed even though he was complaining about the system. He actually made and worked and participated in the system in a big way as has been the case. So we led by example and we're going to continue to abide by the changes that are put forward and we'll move forward.
Q. Nanji: I guess I'm wondering if you maybe regret not– the decision not to I guess fundraise for that by-election loophole because it seems like maybe the PCs like made a lot of money like especially during the—	Yes, some chose to do so and the premier chose not to and we– I proceeded; I did a number of public fundraisers throughout that period of time as well and it was not specific to any group and it was broad based and we too raise money and going forward it will be done differently.

Q. Nanji: I think as far as I can tell on your website there are no events posted like period and obviously not fundraising events. I guess I'm wondering if maybe you're not interested in hanging out with constituents or—	Are you kidding me?
Q. Nanji: I'm guessing they can't; if they can't be invited to the party.	You know politics is all local right. And it is—I always attend the BAA breakfasts and various events. I participate in a number of economic forums. I'm doing budget consultations over the course of the next few weeks. I go to the boards of trades and speak on behalf of what the province is doing and where our economy is going and I'll continue to do that, I always have, and I'll advocate heavily for my community when the need arises and there have been issues that have had specific unique circumstances to the region. For example, redeveloping the waterfront in Mississauga for example is a big initiative that we work on and ensuring that we create more trade and more investments. Foreign direct investment in Ontario is a big part of the things that we do as well as the Ministry of Economic Development and Trade, and we've led the way with foreign direct investment for the last number of years. All of that is part of the work we do as government and in terms of having and being approachable to our constituents and to stakeholders, that doesn't change. We'll continue to do that as we always have.
Q. Nanji: Is the party out of debt right now?	I'll let the party address the conditions of the campaign, but we're strong and we've always continued to manage appropriately there as well.
Q. Smith Cross: What kind of fundraising will you be doing over this year under the new rules?	It'll be a lot of, you know, e-letters, it will be requests for submissions as you see now by the federal government in many ways. So we'll revert to a different form of requesting support and I'll continue to make myself available to people as they request it.
Q. Zochodne: I want to ask again about Finance Canada's numbers that [Inaudible] yesterday. It seems that the federal government is more than willing to run deficits, so why is the province in a hurry to get back to balance in 2017-2018?	Well I think it's important that—when the economy slow down and when we suffer through that recession –the biggest in recent history– it was important for us to invest; invest and make appropriate engagement to promote greater growth, infrastructure being one; investment in healthcare and in education. And without sacrificing the things that matter; social programs that all Ontarians rely upon. But we've gone through that. Ontario is now growing and we're outpacing and I'm a strong believer in investing in capital, which I don't mind borrowing for over the long-term at low rates, lock them in and enable us to take benefit over the long-term because we'll benefit from the prosperity of those investments. Borrowing for our operating expenses is something I don't want to do and I think it's important for us to manage that effectively and that's why balancing the books is critical.

Q. Zochodne: You guys have had to curtail some spending and you've had to do things like the Hydro One privatization to find money to invest in things. Why not just delay balancing the budget? Then you have more money—	So let's be clear, the budget is about, almost $130-billion a year. The percentage of shares within Hydro One that's been sold in the two tranches represents, in the end, about $4-billion. We're not relying on Hydro One to balance the books. We're relying on the reforming of Hydro One to invest in transit and infrastructure in those projects. At the same time, improving the value of Hydro One and the operations of the distribution of hydro. That's not the power facilities, as you know. It is...and it's one of 72 competitors in the system. There's a lot of LDCs in Ontario. Hydro One is just one of them. So we're trying to foster a greater company and we're still owning the majority shares. No other company or individual can or more than 10 per cent of Hydro One. We'll always be the 40 per cent holder, eventually. We're, right now, still 70 per cent holder of Hydro One. But it's better run and it's (inaudible). But what's enabling us to balance the books is growing our economy, controlling our spending - we've become the lowest cost government anywhere in Canada because of the measures that we've taken - and we've stimulated growth because of infrastructure spending and targeted initiatives. Even low carbon is yet another diversified area of our economy, which enables us to weather those commodity shocks that's been evident in Alberta and in the Maritimes.
Q. Zochodne: Can you guarantee then that the budget will be balanced, the one that you table?	The budget is going to be balanced, next year and the year after that. It has to be because it's something that we've been working towards coming to fruition. And independent economists and others have recognized the challenges that exist in doing so because there is volatility in the market place. And as you recently know, there's been a reassessment, re-interpretation of an accounting principle, which is put a 10 billion dollar hit on our books. But we are still relying on the continued investments in the growth of our economy and the controlling of our spending to balance the books next year.
Q. Smith Cross: The question about how you will be participating in fundraisers, I didn't quite understand your answer. You said you were going to make yourself available? (Inaudible)	No, no, no, no. The fundraising activities are going to...we have to abide by the fundraising rules and that means requesting by way of letters, by e-commerce and so forth or e...you know what I mean, like internet requests; the way it's way is being done now. And that's how it's going to be. In terms of me being available to constituents and stakeholders, I'll always be doing that because I'm always doing consultations.
Q. Smith Cross: I didn't imagine you writing emails, fundraising emails personally. Does that mean that the whole issue of fundraising is off your plate this year? You won't be really needed to do any of that, like you used to do?	My riding association will be working very closely to ensure that we raise the appropriate funds for the next election. And the Party will do what it needs to raise funds, as well, for the party campaign; they'll continue. And there's also a supplement that's being provided for, with the revisions to the tax law. So that's how it's going to be.
Q. Smith Cross: (Inaudible)	I have plenty to do. And I'll continue to do a lot of events and

	I'll continue to make myself available to stakeholders, and to do my speeches, and to and to foster roundtable discussions. You know, those are important and I get a lot of value from that. In this role, and I have a lot of advisers and a lot of individuals that participate in the developments of our documents, and we have a lot of changes that we're making around regulatory reform, around the cooperative securities regulator, around cap-and-trade, around issues with the auto sector, and of course there's ongoing negotiations in regards to that too with the United States. A lot of good things are happening. A lot of things require our involvement. And that puts me at the forefront of a number of initiatives. And I enjoy doing that. And I welcome the participation and support of many towards making it so.
Q. Smith Cross: (Inaudible) calling up donors personally, making fundraising calls in order to help fundraise this year.	Well, I cannot attend a fundraiser. The Party and my association can request funds to support the democratic process and that's how it's going to be. Thank you.

Statement by MPP Fife:

Thank you for being here. My name is Catherine Fife and I'm the new critic for economic development and trade for the NDP. So the jobs stories of 2016 in Ontario is the rise of part time precarious work under this Liberal government. 2016 saw an overall gain of 81,000 jobs but 74,000 of those jobs were part-time. And while we are encouraged by the slight increase in part-time, slight increase in full-time work, the dramatic increase in part-time work is worrying for us. From December 2015 to December 2016 over 90 percent of all jobs created in Ontario were part-time jobs. Now we live in a great province but the fact is in Ontario today we are at a tipping point when it comes to wages and the quality of work as we can see empirically in today's numbers. Costs are up. Wages are flat and it's harder and harder for people to find good work. Too many people have lost their good jobs and are working in part-time positions often with no security and no benefits. And for too many people who are working the pay is far too low to actually build a good life here in this province of Ontario. People do deserve good paying jobs no matter where they live in this province. Unfortunately we see that some regions in our province aren't doing as well as others and that's not ok.

Unemployment is getting worse in places like Guelph, London, Niagara and Sudbury. For instance if you live in Sudbury you're very aware that you already live in the city with Ontario's highest unemployment rate and you feel the consequences of that every single day. With the rise in unemployment and Sudbury in December from 7.5 percent to 8.1 percent things are only getting worse for that community. Too many people across the north have had to leave their home and move south to find work.

Ontario also has to do a lot better when it comes to putting young people to work. Overall in Ontario youth still struggle to find full-time employment as 2016 has only seen an increase of 200 full-time jobs for young people. At 14.3 percent. Ontario's youth unemployment rate is nearly 2 percent higher than the Canadian average and it is only getting worse.

Of course jobs numbers alone don't tell us the full story of what's going on in the province of Ontario. The reality is that too many Ontarians are facing hard decisions about whether to pay their hydro bills or to put food on the table. Too many young people have graduated from Ontario's colleges and universities with a mountain of debt and uncertain prospects. The lucky ones have found jobs. But as we've seen from the numbers today too often that employment is temporary and is precarious. Our manufacturing and automotive sectors have been hard hit and are still vulnerable. Finally high hydro prices remain a major threat to the prosperity of communities across the province. Today's Labor Force Survey isn't about abstract numbers it's about people and people deserve to have hope for good opportunities in this province and I'd be pleased to take any questions you have of me.

Media Questions:	
Q. Smith Cross: (inaudible) think of the Minister's answers for our fundraising questions?	Well as someone who did serve on that committee and traveled around the province and tried to make that piece of legislation a stronger piece of legislation. I think that those answers were fairly evasive. The bill as it stands allows cash-for-access to continue in the province of Ontario. This government refused to address the conflict-of-interest regulations that the Integrity Commissioner asked for. It fails to address the excessive government advertising that the Auditor General has identified. And it also keeps research and polling off the books for elections. So while we personally can't attend these fundraising events, and while the limit has been dropped to twelve hundred dollars, cash-for-access is still going to go on in the province of Ontario. It's just going to happen behind closed doors and we just don't have to go to the parties anymore.
Q. Nanji: (inaudible) fundraising emails until I think I saw one (inaudible) the deadline on New Year's Eve.	Absolutely.
Q. Nanji: I know that, you know, unions have made up the bulk of the contributions that you guys receive. Is this going to be a big problem for you now that unions are completely banned?	So I mean we have been looking to adapt our entire strategy. I mean we want to engage individual voters and citizens in the democratic process. And so it's true. I mean we were never better big benefiters of the large corporations. But the people who support us are, usually, make smaller donations and we're very pleased to have that, right? I mean we're a different kind of party in that regard, is that we don't go to those, we don't hold those huge, huge, you know, corporate events. It's just not the nature of our party. So I think that we're going to actually adapt very well as a party, is that you know we're going to be doing engagement at a very grassroots level, small donations, and we're going to stay true to the principles of the of the values that we've been trying to bring to this place which is putting people first.
Q. Bliss: Hydro One has placed a veil of secrecy over a concern that's raised a lot of questions among the public. When the FBI pointed out that Russian hackers had access to an IP address at Hydro One. So Hydro One has told us the IP address is inactive and there was never a threat to the grid. But they haven't told us if the Russians were in there mucking around for weeks, what they were doing, what this might be connected to. Do you think they owe the public a little more information on this other than to say trust us?	Well, I mean you know, as Hydro One was privatized we lost that oversight into what I think that most people would agree we should still have that oversight by the auditor and by the government. And so I think that any level of secrecy around the language that came out after that news story broke. Obviously it was of some concern and I think that there is a responsibility on behalf of Hydro One to be open and transparent with the public and it's just as simple as that.
Q. Rath: Are families hurting because of the increased costs they've had to deal with due to cap-and-trade? Is that going to be a drag on our economy?	I actually think it's a combination of a lot of things. I mean Paul mentioned the user fees and all of the, for the public service. I mean all of those fees have been creeping up over the years. Cap-and-trade is you know because it is seen as

IESO-N-0047141

	a less transparent model, not a very fair model, you know with the large emitters actually being excluded and having a grace period of four years. And then obviously the lack of effectiveness. You know I think that people would be more supportive of going forward if they actually, if there was openness and transparency, and if they saw it was actually was going to make a difference on greenhouse gases. And quite honestly I mean there is a there is a genuine lack of fairness in the way that cap-and-trade has been implemented in the province of Ontario. The people in Sudbury don't have a (inaudible) like a subway that they can get on. In Sudbury there's no other option, you got to feel that that gas tank. And so we've been hearing a lot from our northern communities and rural communities that they see a basic unfairness in how cap-and-trade is being implemented. But we just go back to our original points, is that it should be open and transparent so the gas bill should have a very clear line on it. It should be an effective model where we actually see that it's going to reduce greenhouse gases and as the Auditor General found out that, you know, 20 per cent by 2020, with most of the carbon trade tax credits going to California, this is, this is not, there's not a lot of confidence in Kathleen Wynne's government to implement cap-and-trade with any integrity.
Q. Rath: Is Toronto getting an unfair share of Ontario's (inaudible) put into their infrastructure?	Toronto is a huge economic engine for the province. And I think that, you know, any government going forward has to find the balance with Toronto. But there's definitely a sense from rural and northern communities that this government is not listening to them. Any other questions?
Q. Zochodne: Should Ontario follow the lead of Nova Scotia and Newfoundland and New Brunswick and cave on this whole health transfer issue and just take what the federal government is offering at this point?	I'm so glad you asked me that question. What – you mean – this just goes back to the original, you know, sales job that was delivered by the federal government in that, you know, Justin Trudeau said that he was going to work collaboratively with the provinces, that he was going to honour the real commitments that had been denied by the former Harper government on health care and transfer payments and do – do government differently. This is the same mantra that we've heard from Kathleen Wynne and – and it isn't any different. It's just same. It's just wearing, you know, the color red. So, you know, Ontario's health care system is in a state of crisis. You know, with the passing of Bill 41 that has not instilled a lot of confidence in our health care system with doubling down on bureaucracy and opening the door for further privatization. So the conversations on health care are incredibly important. Ontario should be fighting for its fair share and it shouldn't be about, you know, partisan politics. It should be about making the justifiable and empirical case for increased funding for the province of Ontario.
Q. Smith Cross: Sorry just to clarify, you mean you support the government's decision not to cave? Is that (inaudible)?	Well I think that it would be good if Justin Trudeau actually honored his commitment to the province of Ontario and followed through and met the real health care needs of

	Ontario which he said he would do in the last election.
Q. Zochodne: Bigger picture. (inaudible)	Bigger than that?
Q. Zochodne: Even bigger. Is it a mistake for the Ontario government to try and balance its budget for 2017-18? Should they follow Trudeau's example and try and perhaps more flexibility on that front?	Well I would argue that this – that the – Kathleen Wynne is not going to balance the budget by 2017-18. It's going to be a false balance, and the Financial Accountability Officer has already informed the government of that. It's going to be – it's going to be – on the books it's going to look balanced, but the following year, with the sell-off of Hydro One, we're going to be right back in deficit position so it's going to be, you know, it may look balanced for a day, but it's not truly going to be balanced. That's what the – that's what the Financial Accountability Officer told us. And selling off Hydro One is the largest transfer of public wealth to the private sector in the history of this province. And that will happen under Kathleen Wynne's watch. Thank you very much.
N.B.: Comments captured are not verbatim quotes	

Prepared by:

Jonathan Colford, Senior Issues Analyst
Sofia Sousa-Dias, Senior Issues Analyst
Rob Di Giovanni, Coordinator, Media Monitoring
Jeffrey Stinson, Senior Media Analyst
Evelyn Tchakarov, Senior Media Analyst
Alan Herman, Issues Assistant