PCS KICK OFF ELECTION CAMPAIGN WITH PLATFORM PROMISE TO RUN A DEFICIT IN THEIR FIRST YEAR

PCs kick off election campaign with platform promise to run a deficit in their first year

25.11.2017 Jessica Smith Cross 0

PC Leader **Patrick Brown** unveiled his party's election platform Saturday, six months before the scheduled campaign, promising tax breaks and benefits for middle- and low-income

next year.

The PCs' costed platform promises tax breaks and child care refunds for lower and middle class Ontarians, funded by opting into the federal government's carbon pricing plans as of July 1, 2019.

The PCs are also pledging to withdraw from the provincial government's cap-and-trade program, as well as most of the Climate Change Action Plan environmental initiatives the cap-fiscal year.

The published platform looks like a magazine called "People's Guarantee," and features Brown's smiling face on the front.

The guarantee is that if Brown does not achieve five specific commitments in his first mandate, he will not seek a second. They are:

- To lower income taxes for the middle class by 22.5 per cent
- Provide a 75 per cent refund for child-care expenses,
- Twelve per cent off hydro bills,
- Pass the "largest mental health commitment in Canadian provincial history"
- Pass the first Trust, Integrity and Accountability Act.

The five commitments

The middle-income tax bracket would see a cut of 22.5 per cent, phased in between 2020 and 2022, and the lowest bracket would see a 10-per cent cut, also ramped up between 2020 and 2022. These tax breaks would cost the government $3.27 billion in foregone revenue by the time they'd be fully implemented in the 2021-22 fiscal year.

The party is also promising to increase the Ontario Sales Tax Credit by $100 a person, which the province's lowest-income families will receive, even if they pay little or no tax.

According to the PCs' calculations, families earning between $100,000 and $200,000 will see an average 20 per cent reduction in their tax owing.

The second commitment — a 75 per cent refund on child-care expenses — would come in the form of a new Ontario Child Care refund, would give lower-income households — making $35,000 or less — a 75 per cent refund on eligible child-care expenses up to $9,000 for a child under six, or $5,000 for a child aged six to 15. The per cent of the refund would decline with rising income, so that families where each parent makes $200,000 would receive none.

achieved by rebating the government's portion of Hydro One dividends — currently worth about $350 million a year — on ratepayers bills and moving conservation programs from the rate base to the tax base, as well as walking away from any energy contracts it can, where there are cancellation benefits.

The 12 per cent promise is above and beyond the government's 25 per cent Fair Hydro Plan, which the PCs would maintain.

The fourth commitment would see the province match the federal government's 10-year, $1.9 billion mental health spend, investing it in a range of mental health programs, including improved services for children and youth.

The last commitment is to pass the Trust, Integrity and Accountability Act, which the PCs are aiming squarely at the Liberal government's ethical transgressions, as the Tories see them. The bill would, among other changes, ban ministers from raising funds from stakeholders they do business with, a change the party has been calling for since the cash-for-access scandal, and restore the Auditor General's oversight of government advertising.

The costing

The platform and its costing is based on the Liberal government's plans and fiscal projections, where the only deviations are outlined and costed. Former Parliamentary Budget Officer **Kevin Page** reviewed in the costing, and his endorsement — that they're "deemed reasonable" — is printed on the last page.

That means a PC government would keep the Liberals' signature all-day kindergarten and OHIP+ youth pharmacare programs.

The most significant change from the Liberal plan is exiting the cap-and-trade program and adopting the federal government's carbon tax backstop as of July 1 2019.

In making that change, the PCs would cancel most of the Liberal government's various environmental initiatives under the Climate Change Action Plan, which include electric vehicle supports and building retrofits.

$1.5 billion in the would-be PC government's first year, but they project cancelling the Action Plan spending would save the government $1.9 billion in each of the last three years of a four-year term.

The switch to a carbon tax would also bring in significantly more money, according to the PCs, — $2.4 billion more than cap and trade would by the 2021-22 fiscal year.

That extra cash would be how the tax breaks in the platform are funded, which is why the PCs frame the carbon tax as "revenue neutral."

Overall, however, the platform sees a PC government bringing in less revenue and spending more than the Liberal government has laid out in its fall economic statement — the same fiscal outlook the PCs' platform is based on.

That includes the spending cuts identified through the 2-per cent value for money audit, which the platform projects would find savings of $1.1 billion 2019-20 fiscal year, $2.2 billion the following year, and $2.8 billion the year after.

By 2022, the PCs project their government would bring in about $168 billion in revenue — versus $170 billion in the Liberal government fiscal projections — and the government would spend $167 billion that fiscal year — versus the $155 billion in government projections.

The PCs' costing would see a $2.8 billion deficit in year one, an $8 million surplus in year two, a $521 million surplus in year three and a $727 million surplus in year four.

Other major promises

The PCs are also promising to spend $5 billion on subway systems in the Greater Toronto Area, which would be accomplished by uploading the subway system from TTC. However, the TTC would keep all the fare box revenue from the subway service. The funding would go to the Relief line, the Scarborough subway, a Yonge Subway extension and the westward extension of the Eglinton Crosstown to the University of Scarborough Campus. The provincial government would also take on responsibility for subway maintenance.

investments, wifi on GO Trains and a dental program for low-income seniors.

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JESSICA SMITH CROSS

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S	M	T	W	T	F	S
29	30	31	1	2	3	4
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12	13	14 1	15 1	16	17	18
19	20	21	22	23	24	25
26	27	28 1	29 1	30	1	2
3	4	5	6	7	8	9

ON TWITTER

Queen's Park

A Twitter list by @QPbriefing

Michael Harris @Michaelharrispc
Great to co chair our PC Transport with you Chris.

1m

John Fraser @JohnFraserOS
Glad to be at Fairlea CO-OP for the dedication of the playground to first responders in memory Cst. Eric Czapnik

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POLLS

Not until the budget is balanced, citing the 2014 omnibus bill. (55%, 122 Votes)

Yes, and it is long overdue. (45%, 98 Votes)

Total Voters: **220**

- Polls Archive

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