

From Queen's Park by Sylvia Jones MPP ? Another downgrade; Another warning shot

This month, credit rating agency Standard and Poor's (S&P) downgraded the Ontario's credit rating.

In nearly a year, three major credit rating agencies, Moody's, Fitch and S&P, have all expressed concern that the Wynne Liberal government won't be able to eliminate the deficit by 2017-18. In addition, under this Liberal government's watch since 2003, Ontario's credit rating has been downgraded five times.

Last July, Moody's downgraded its outlook and warned the government that it needs to reign in spending. Last December, Fitch downgraded Ontario's credit rating and stated the government will have a tough time eliminating the deficit by its targeted date. Now, S&P has downgraded Ontario's credit rating, the first time in six years. They have warned the Wynne Liberal government, it needs to take a faster approach in controlling its spending. A credit rating downgrade has implications for the government and Ontarians. Paying interest on the debt is already the third largest spending line in our province after health care and education. Higher borrowing costs will only exacerbate this problem. As Progressive Conservative Leader Patrick Brown said in his statement on the recent downgrade, "The Province cannot afford higher borrowing costs, which means less money for long-term care beds, improving transportation corridors, or making crucial investments to lower hydro rates."

We are already seeing the beginning of cuts to services Ontarians care about. For example, the budgets of hospitals haven't increased in the last four years. And in this year's budget, the Wynne Liberal government cut spending for health care by \$54 million.

My PC colleagues and I have stated repeatedly that this Liberal government has an addiction to spending, not a revenue problem! For example, spending increased by \$2.4 billion compared to last year, and the deficit has grown from \$9.2 billion to \$10.5 billion to \$10.9 billion. This Liberal government continues to spend money it doesn't have, but Ontarians are not seeing the results of this increase in spending. Instead Hydro rates continue to go up, and essential services are not readily accessible to Ontarians. This government needs to rethink its approach to balancing the budget and how it spends Ontarians' hard-earned money.

Ontarians expect their taxes to go toward essential services that they expect to be there when they are needed, not ever increasing borrowing costs. This government continues to ignore the pleas from credit rating agencies, my PC colleagues and I, and others for the need to fix the state of the economy. If this Liberal government continues to ignore these calls for action, it just won't be the Ontarians right now paying for the mistakes; future generations of Ontarians will still be paying for the mistakes by this Liberal government

