

From Queen's Park by Sylvia Jones MPP ? FAO shows Hydro One sale will leave Ontarians worse off

According to the independent non-partisan Financial Accountability Officer (FAO), the Liberals' partial sale of Hydro One will end up hurting Ontarians in the long run.

The FAO said that the decision will cost Ontario taxpayers billions of dollars for several reasons.

In the FAO's most recent report, titled Hydro One: Updated Financial Analysis of the Partial Sale of Hydro One, it stated that because the government is no longer receiving a dividend from Hydro One, the province will lose almost \$400 million in revenue in 2018.

The government continues to claim that they would be spending the money they received from the Hydro One sale on infrastructure. The FAO in fact has said that funding projects off of the sale of Hydro One is a far more expensive approach than just borrowing the money to build infrastructure. The FAO report shows that \$1.8 billion would have been saved if the government financed its infrastructure through traditional debt rather than selling off 60 per cent of Hydro One.

The FAO report also shows that the government has failed to keep its promise of actually spending the money from the Hydro One sale on infrastructure. Instead the government is keeping the money on its books and artificially balancing the budget during an election year. Specifically, of the \$4.4 billion that they said they would spend on infrastructure, only \$670 million has actually been spent.

In short, the Liberals are using the fire sale of Hydro One to make their budget look balanced ahead of the 2018 election. This is just another example of the Wynne Liberals' mismanaging the electricity file. There is no file which has been more disastrous for Ontario families and businesses. Dufferin-Caledon residents are already being hurt by skyrocketing hydro rates. This latest report is another example of Liberal hydro mistakes leaving Ontarians behind.

The FAO's report on the Hydro One sale adds to the Auditor General's report from October 2017 which showed that the government's plan to fix their hydro mistakes would cost Ontario taxpayers \$4 billion more than necessary. The government had tried to hide the true cost of financing their plan to provide hydro relief, by borrowing through Ontario Power Generation, instead of through the government of Ontario's books.

In the end, the Liberals' mismanagement of the electricity system is costing Ontario taxpayers billions of dollars. Ontarians deserve better. That is why the Ontario PC Caucus and I will continue to call on the Liberal government to provide real and lasting hydro relief to Ontario families and businesses all while respecting the money of taxpayers.

