

From Queen's Park by Sylvia Jones MPP ? Ontario's economy continues to go down the wrong path

Over the years, the Progressive Conservative Caucus and bond rating agencies have warned about Ontario's growing debt crisis. The Canadian Taxpayers Federation recently confirmed our warnings by announcing Ontario's debt has reached \$300 billion for the first time ever in our province's history. And now Ontario's Financial Accountability Officer (FAO) joins the group in highlighting issues with the province's ever growing debt.

In 2015, the Provincial government appointed Stephen LeClair as Ontario's FAO to report to the Ontario Legislature by providing independent analysis on the Province's financial state. The FAO warned July 19 that our Province's net debt is set to increase by more than \$50 billion by 2020-21 to a record \$350 billion. In the past six years Ontario's net debt doubled due to this government's financial mismanagement.

As quoted by the FAO, "Ontario has the highest debt burden among the major provinces, carrying \$2.40 in net debt for each dollar of provincial revenue."

What's more concerning is that interest on the debt is currently the third highest expenditure in the province. If servicing the debt were a Ministry, it would have the third largest budget, behind only health and education. Additionally, given that interest rates are at a record low, the FAO noted that with each one point increase in interest rates interest payments will rise by \$350 million.

The FAO also predicts Ontario will run annual deficits from 2018-19 to 2020-21 that will result in our Province's net debt to continue to rise. This confirms what we have been saying all along - the government is using one-time money asset sales like the sale of Hydro One, contingency funds, and tax increases to artificially balance the budget in an election year.

Not only did the FAO warn about Ontario's financial state, but has repeatedly highlighted the government's unwillingness to provide information they are obligated to under the Financial Accountability Officer Act. Last year, the FAO made six information requests to various Ministries and public entities. However none of these requests have been completed by the government. This lack of transparency prevents the FAO, as well as the official opposition, from holding this government accountable for their years of reckless management of Ontario's economy.

