



**Assessing the  
reasonableness of the  
estimates of the fiscal  
plan underlying the 2018  
election platform of the  
Progressive Conservative  
Party of Ontario  
(Ontario PC)**

Institute of Fiscal Studies and Democracy  
at the University of Ottawa

Thursday, November 23, 2017

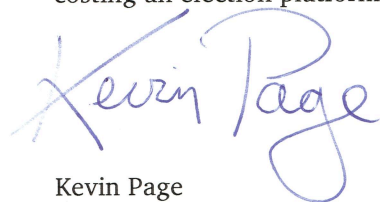
Re: Assessing the reasonableness of the estimates of the fiscal plan underlying the 2018 election platform on the Progressive Conservative Party of Ontario (Ontario PC)

The Institute of Fiscal Studies and Democracy (IFSD) is a non-profit and non-partisan Canadian think-tank, affiliated with the University of Ottawa, sitting at the nexus of public finance and state institutions. Election platforms are an important element of the fiscal ecosystem as they frame a party's political commitments and fiscal plans. In this context, the IFSD believes that assessing the reasonableness of the estimates of the fiscal plans contained in election platforms is an important public good. As such, the IFSD would be pleased to provide an opinion on the costings underpinning the election platforms of all major political parties participating in the upcoming Ontario provincial election.

We caution readers that the provision of an opinion on the reasonableness of the estimates underlying the fiscal plan includes the reliance on third parties for information and analysis and that the testing of reasonableness of methodology, assumptions and data does not provide the same level of assurance as independent estimates of all measures (with relevant fiscal and taxation information). The focus of the IFSD's analysis was on the reasonableness of the estimates and not on the content or direction of the policies.

We have two observations to the IFSD's evaluation of the 2018 election platform of the Ontario PC party. First, it is understood that the baseline will be subject to change as a result of the Auditor General of Ontario's evaluation, prior to the 2018 election, of the fiscal reference levels. Second, a key component of the election platform is the assumption that efficiencies achieved through a value-for-money audit will lead to savings of \$2.8 billion dollars by the 2021-22 fiscal year or about 2% of total program expense for that year (based on Financial Accountability Officer's Fiscal Outlook). Approach, commitment and evolving context will all impact on prospects for achieving the program spending savings. The IFSD is not currently in a position to pronounce on the expected yield from such an exercise though we look forward to seeing more detailed plans in the future.

In evaluating the 2018 Ontario PC election platform, the IFSD reviewed the broad economic and fiscal assumptions underlying the plan as well as the approaches used to develop the costing of *material* individual revenue and expense measures. The IFSD believes that using the economic and fiscal assumptions from the Ontario Fall Economic Statement is a reasonable starting point for costing an election platform and that the costing of individual measures appears reasonable.



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