

## Ford urged to sell Crown corporations like LCBO



Report says government businesses could be 'monetized' to bring in cash

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A report commissioned by Premier Doug Ford says the province could generate cash by selling all or part of its government business enterprises. Those enterprises are the LCBO, Ontario Power Generation and Ontario Lottery and Gaming. (David Donnelly/CBC)

A review of spending commissioned by Premier Doug Ford is encouraging him to sell Crown corporations, including the Liquor Control Board of Ontario, to bring short-term cash into provincial coffers.

The review says the government should maximize the value of provincial assets,

including considering "divestiture" if the business case warrants.

"Ontario currently holds assets that could be monetized to generate a one-time cash payout by selling all or a portion of GBEs (government business enterprises) and/or owned real estate," the report says. It was conducted by the auditing firm EY Canada.

- **ANALYSIS [Doug Ford accuses Kathleen Wynne of fraud, coverup and getting rich off taxpayers](#)**
- **[Ford plans to form special committee to probe province's fiscal situation](#)**

The three Crown corporations that the province classifies as "government businesses enterprises" are the LCBO, Ontario Power Generation and Ontario Lottery and Gaming.

"Taking decisive action is the only way forward to put Ontario on a sustainable fiscal footing," says the report. "Such opportunities should not result in involuntary job losses, and instead focus on efficiency and effectiveness improvements."

The review was released Tuesday by Ford's cabinet minister Peter Bethlenfalvy, president of the Treasury Board.

Bethlenfalvy is neither committing to acting on any of the report's recommendations, nor is he ruling any of them out.





Peter Bethlenfalvy, Treasury Board president in the Doug Ford government, released what he calls a line-by-line review of government spending. (CBC)

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"The range of ideas that they put on the table is pretty comprehensive," he told a news conference on Tuesday. "We'll move quickly to look at the options and have a path forward."

The report comes on the heels of the Ford government's [announcement](#) that the deficit in the current fiscal year, under terms of the Liberal budget tabled before the election, is on track to be as much as \$15 billion. Ford is also creating a legislative committee to [investigate](#) the deficit, which he calls "the worst political scandal in the history of Ontario."

The Ford government commissioned the review and billed it as an "unprecedented line-by-line audit" of government spending. But the firm itself says its report was not actually an audit.

- [Wynne's Liberals left \\$15B deficit, \\$8B more than reported in last budget, Fedeli says](#)

The report also urges the government to reconsider the universality of social programs.

"There are a number of benefit programs that are currently applied without any means testing, which could shift to a means-tested eligibility formula where ability to pay is the threshold," says the report.

"This is about modernizing and transforming the way government does business," said Bethlenfalvy. "This is not about job cuts. We respect and value the work that the front-lines do."



Sara Singh, deputy leader of the Ontario NDP, expressed concern with privatizing public assets. (CBC)

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Ford promised during the election campaign that no public-sector workers would lose their jobs under his government. He did not, however, rule out privatization of provincial agencies.

The review warns that selling off money-making Crown corporations would have a long-term impact on revenue.

"It is important to understand that the trade-off is foregoing future income," says the report. "Robust business cases firmly rooted in evidence are required before proceeding."

- [Doug Ford's PCs launching inquiry into previous Liberal government's spending](#)

The previous Liberal government [privatized](#) Hydro One in 2015, following a

recommendation by then-premier Kathleen Wynne's handpicked business adviser, Ed Clark.

With Tuesday's report, the PCs are setting the stage for more privatization, said the NDP deputy leader Sara Singh.

"While we can look for efficiencies within the public sector, I think we need to acknowledge that the private sector isn't always the most efficient option," Singh told reporters at Queen's Park.

"We can look to Hydro One as an example of what happens when those public assets are sold off."

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