

REFORM PARTY OF ONTARIO's "PURPLE BOOK"

November 2009 **FISCAL (MONEY MANAGEMENT) REFORMS**

Our Values:

4. Taxation should occur only to fund government services and programmes - including debt repayment - that have been authorized by the people's representatives.
5. We believe that budgets must be balanced and that financing is only appropriate for infrastructure projects that will generate revenues for the government.
6. We believe that Ontarians are overtaxed and that our tax system must be simplified, reorganized, and taxes reduced.

Tax & Spending Reform is needed in Ontario:

Ontario's governments have had a mediocre track record on how they budget the spending of your tax dollars. Regular overruns have occurred and deficits have piled up upon deficits, resulting in an ever-increasing provincial debt.

Programme spending often exceeds the inflation rate. This is not sustainable in the long term. MPPs have not set a good example with large pay and benefit increases.

We believe high corporate taxes are responsible for the loss of business investment and jobs in Ontario.

Health care is an area of spending whose annual growth exceeds the inflation rate, necessitating ever-increasing spending in this #1 priority area for Ontarians.

To that end, we propose the following remedies:

1. Pass Balanced Budget legislation. We will not spend what we do not have.
2. As part of the Who Does What Commission, we will work with the federal government to trade off areas of taxation and areas of responsibility to produce a simplified, streamlined tax model for Ontario.
3. Pursuant to the Programme Review Committee's work, we will introduce a reduced requirement for annual programme dollars.
4. A schedule will be introduced to pay off Ontario's net debt over the next 35 years.
5. Money no longer needed to pay interest on the debt will be turned back into health care programmes as it is freed up.
6. Reduce business taxation to make Ontario the most attractive jurisdiction in which to invest.
7. Require all ministries and crown corporations to cap their budget increases to the rate of inflation annually, and require ministries to find economies totalling 1% of their annual budget each year.
8. Cut MPPs pay and benefits by 20%.