

The Standing Committee on Public Accounts

Role of the Committee

The Standing Committee on Public Accounts (Committee) is empowered to review and report to the Legislative Assembly its observations, opinions and recommendations on reports from the Auditor General and on the Public Accounts. These reports are deemed to have been permanently referred to the Committee as they become available. The Committee examines, assesses and reports to the Legislative Assembly on a number of issues, including the economy and efficiency of government and broader-public-sector operations, and the effectiveness of government programs in achieving their objectives.

Under sections 16 and 17 of the *Auditor General Act*, the Committee may also request that the Auditor General examine any matter in respect of the Public Accounts or undertake a special assignment on its behalf.

The Committee typically holds hearings throughout the year when the Legislature is in session relating to matters raised in our Annual Report or in our special reports and presents its observations and recommendations to the Legislative Assembly.

Appointment and Composition of the Committee

Members of the Committee are typically appointed by a motion of the Legislature. The number of members from any given political party reflects that party's representation in the Legislative Assembly. All members except the Chair may vote on motions, while the Chair votes only to break a tie. The Committee is normally established for the duration of the Parliament, from the opening of its first session immediately following a general election to its dissolution.

In accordance with the Standing Orders of the Legislative Assembly and following the June 2014 election, Committee members were appointed on July 16, 2014. The Chair and Vice-chair were elected on October 22, 2014 at the Committee's first meeting. The membership has changed twice since July 16, 2014 up to September 13, 2016 as follows:

- Ernie Hardeman, Chair, Progressive Conservative (July 16, 2014–present)
- Lisa MacLeod, Vice-chair, Progressive Conservative (July 16, 2014–present)
- John Fraser, Liberal (July 16, 2014–present)
- Percy Hatfield, New Democrat (July 16, 2014–present)
- Monte Kwinter, Liberal (September 13, 2016–present)

- Harinder Malhi, Liberal
(July 16, 2014–present)
- Peter Milczyn, Liberal
(April 5, 2016–present)
- Julia Munro, Progressive Conservative
(July 16, 2014–present)
- Arthur Potts, Liberal
(July 16, 2014–April 5, 2016; September 13, 2016–present)
- Chris Ballard, Liberal
(April 5, 2016–September 13, 2016)
- Han Dong, Liberal
(July 16, 2014–April 5, 2016)
- Lou Rinaldi, Liberal
(July 16, 2014–September 13, 2016)

Auditor General's Advisory Role with the Committee

In accordance with section 16 of the *Auditor General Act*, at the request of the Committee, the Auditor General, often accompanied by senior staff, attends Committee meetings to assist with its reviews and hearings relating to our Annual Report, Ontario's Public Accounts and any special reports issued by our Office.

Committee Procedures and Operations

The Committee may meet weekly when the Legislative Assembly is sitting and, with the approval of the House, at any other time of its choosing. All meetings are open to the public except for those dealing with the Committee's agenda and the preparation of its reports. All public Committee proceedings are recorded in Hansard, the official verbatim report of debates, speeches and other Legislative Assembly proceedings.

The Committee identifies matters of interest from our Annual Report and our special reports and conducts hearings on them. It typically reviews reports from the value-for-money chapter and follow-up chapter of our Annual Report. Normally, each of the three political parties annually selects three audits or other sections from our Annual Report for Committee review.

At each hearing, the Auditor General, senior staff from her Office and a Research Officer from the Legislative Research Service brief the Committee on the applicable section from our Report. A briefing package is prepared by the Research Officer that includes the responses of the relevant ministry, Crown agency or broader-public-sector organization that was the subject of the audit or review. The Committee typically requests senior officials from the auditee(s) to appear at the hearings and respond to the Committee's questions. Because our Annual Report deals with operational, administrative and financial rather than policy matters, ministers are rarely asked to attend. Once the Committee's hearings are completed, the Research Officer prepares a draft report pursuant to the Committee's instructions. The Committee reports on its conclusions and makes recommendations to the Legislative Assembly.

Every year the Clerk of the Committee also requests those auditees that were not selected for hearings to provide the Committee with an update of the actions taken to address our recommendations and other concerns raised in our reports.

Meetings Held

The Committee held 24 meetings between September 2015 and August 2016. Topics addressed at these meetings included Metrolinx, Toward Better Accountability, the Province's Healthy Schools Strategy, Community Care Access Centres, ServiceOntario, Hydro One, Ontario's Public Accounts, Cancer Screening Programs,

Infrastructure Ontario's Loans Program, and Education of Aboriginal Students. Many of these meetings included hearings in which government and broader-public-sector witnesses were called to testify before the Committee and respond to questions regarding observations contained in our reports. Other meetings were spent on Committee business, writing the Committee's reports, or hearing briefings from the Auditor General. Also during this time, there were three special reports released, resulting from motions passed by the Committee asking the Auditor General to conduct audits (special reports). The following three special reports were tabled in the Legislature:

- September 23, 2015: Community Care Access Centres—Financial Operations and Service Delivery
- May 18, 2016: Government Payments to Education-Sector Unions
- June 8, 2016: 2015 Pan Am/Parapan Am Games

Reports of the Committee

The Committee issues reports and letters on its work for tabling in the Legislative Assembly. These reports and letters summarize the information gathered by the Committee during its meetings and include the Committee's comments and recommendations. Once tabled, all committee reports and letters are publicly available through the Clerk of the Committee or online at www.ontla.on.ca, as well as on our website at www.auditor.on.ca.

Committee reports typically include recommendations and a request that management of the ministry, agency or broader-public-sector organization provide the Committee Clerk with responses within a stipulated time frame. As of September 30, 2016, the Committee was in the process of drafting four reports and tabled the following six reports in the Legislature since our last report on its activities:

- November 23, 2015: Cancer Screening Programs
- November 24, 2015: Smart Metering Initiative
- March 22, 2016: Education of Aboriginal Students
- April 5, 2016: Public Accounts of the Province
- June 7, 2016: ServiceOntario
- June 7, 2016: Metrolinx—Regional Transportation Planning

Four of the six reports tabled by the Committee were on follow-ups completed by our Office in our *2014 Annual Report* and *2015 Annual Report* where the Committee called witnesses to discuss how they have progressed on our recommendations. The Committee report tabled on November 24, 2015, addressed our 2014 value-for-money audit on the province's Smart Metering Initiative, and the Committee report tabled on April 5, 2016, addressed Chapter 2 of our *2014 Annual Report* on the Public Accounts of the Province.

In Volume 2 of our Annual Report, we have included our follow-ups on the recommendations the Committee made in the final five reports that were tabled in 2015 (Financial Services Commission of Ontario—Pension Plan and Financial Service Regulatory Oversight; Infrastructure Ontario—Alternative Financing and Procurement; University Undergraduate Teaching Quality; Cancer Screening Programs; and the Smart Metering Initiative); the March 22, 2016, report on Education of Aboriginal Students; and the April 5, 2016, report on the Public Accounts of the Province. In each of these sections, you will find:

- the recommendations contained in the Committee's report;
- the auditee's responses to the Committee's recommendations; and
- a table summarizing the status of each action from the Committee's recommendations (e.g., fully implemented, in the process of being implemented, etc.).

In addition, Volume 2 of our Annual Report includes our follow-up on the Ornge Air Ambulance and Related Services Summary Report, tabled by the Committee on October 30, 2014.

Canadian Council of Public Accounts Committees

The Canadian Council of Public Accounts Committees (CCPAC) consists of delegates from federal, provincial and territorial public accounts committees from across Canada. CCPAC holds a joint annual conference with the Canadian Council of Legislative Auditors to discuss issues of mutual interest.

The 37th annual conference was hosted in Yellowknife, Northwest Territories, from August 21 to 23, 2016.