

Legislative Estimates Review Process

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In my *1995 Annual Report*, I reported on the results of my Office's review of the legislative estimates review process. The primary focus of that review was to determine whether the 1989 revisions to the estimates review process had resulted in the anticipated improvement in the Legislature's ability to scrutinize and evaluate the ministries' proposed spending plans. As part of that review, my Office interviewed nine MPPs, three from each political party, who had served on the Standing Committee on Estimates. My staff also conducted research into the initiatives being undertaken in some other large Canadian jurisdictions as well as in the United Kingdom, Australia and New Zealand.

Our review indicated that improvements could and should be made to Ontario's legislative estimates review process principally in the following areas.

- The legislative review should be timed in such a way that the results of the MPPs' deliberations can influence the government's decision making.
- Those ministries selected for review should provide future-oriented business plans and better information on performance, both expected and actually achieved, as well as on how legislative objectives will be met.

I urged that revisions to the estimates review process be considered by the Standing Committees on Estimates, Finance and Economic Affairs, and Public Accounts. On April 6, 1996, I appeared before the Standing Committee on Estimates to discuss my suggestions with committee members.

ONTARIO FINANCIAL REVIEW COMMISSION

In November 1995, after three months of study, the Ontario Financial Review Commission (OFRC) submitted its final report entitled "Beyond the Numbers: a New Financial Management and Accountability Framework for Ontario" to the Minister of Finance. In its report, the OFRC made a number of recommendations directed at making government in Ontario more open and accountable. One recommendation was that a review be carried out with the goal of ending the current estimates process, which the OFRC considered ineffective. In the May 1996 *Ontario Budget*, the government responded to this recommendation as follows: "The government will work with the Legislature towards improving its ability to effectively review ministries' spending activities."

Given the concerns expressed by both my Office and the OFRC about the ineffectiveness of the legislative estimates review process, I noted with interest that:

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- the Ministry of Finance’s 1997/98 Business Plan states that “a top priority is the ongoing implementation of recommendations made by the OFRC, for which the government has expressed its strong support”; and
 - in response to our 1997 request for an update of action taken on both my Office’s and the OFRC’s concerns about the legislative estimates review process, the Management Board Secretariat responded as follows:

We have spoken with the Office of the Government House Leader and raised the issue of potential additional work with the Legislature towards future reforms of the Legislative Review of Estimates. Among the government’s key aims will be the inclusion of PSAAB-based information in the Printed Estimates and a formal link to business plans. The eventual nature and timing of changes will of course depend critically on the views of the Legislature as a whole.

Good progress has been made by ministries in developing and publishing more future- and results-oriented business plans. However, improvements to the legislative estimates review process are still required to make it more timely and effective for government decision making.