



News Release

For Immediate Release

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Ministries Generally Following Prudent Procurement Practices: Auditor General

(TORONTO) Overall, the Ministries we reviewed generally conducted fair, competitive and transparent procurement, Auditor General Bonnie Lysyk says in her *2016 Annual Report*.

The government spends an average of \$3.5 billion annually on procuring goods and services. Ministries independently make decisions on what goods and services they require. We found that most ministries planned and acquired their procurements competitively and mainly received goods and services at the competitive price.

However, the government often hires external consultants to do IT work that costs \$40,000 more annually per consultant than if the work was done by a permanent IT employee.

“In the past two years, ministries made 3,200 requests for IT employees. Ninety percent of these requests were filled by consultants, and as a result the government paid more than if permanent IT staff were in place,” Lysyk said today after her Report was tabled in the Legislative Assembly.

Other significant findings in the Report include:

- Supply Chain Ontario, a division of the Ministry of Government and Consumer Services that assists ministries in their purchasing, lacked information it could use to identify new bulk-buying opportunities that could save money on future purchases.
- Our review of a sample of ministry procurements found that ministries were not always evaluating and documenting suppliers' performance as required. A supplier's past performance can provide insight into future performance issues.
- We noted some control weaknesses in how ministries procure IT consultants that leave the process vulnerable to fraud.

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