



News Release

For Immediate Release

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Auditor General's 2016 Annual Report Identifies Need for Improvements

(TORONTO) The *2016 Annual Report* of the Auditor General of Ontario was made public today after it was tabled in the Ontario Legislature.

The Report, presented for the first time in two volumes, contains results of value-for-money audits of provincial spending in health care, mental-health care, the environment, roads and transit construction, government procurement, and employment programs.

“What stood out the most this year is the significant influence of non-government service providers on public-sector and broader-public-sector oversight and, in certain cases, decision-making,” Auditor General Bonnie Lysyk said after the Report was tabled in the Legislature.

“It is important for everyone doing business with the government to keep in mind the concept of shared responsibility for the use of taxpayer money to deliver services, protect the environment, or design and build infrastructure.”

There are 13 value-for-money audits in Volume 1 of the Report, as well as chapters on the public accounts of the province, the Auditor General's review of government advertising, and on a broader discussion aimed at achieving better government accountability.

Value-for-money findings of this year's Report include:

- The Ministry of Transportation has not fully implemented tests to identify asphalt that will crack before it is laid; as a result, the pavement on some major Ontario highways has cracked prematurely, and the Province has paid millions to fix it.
- Lack of appropriate oversight of designers and contractors, and the late delivery of their projects has resulted in additional costs to Metrolinx. For contracts with CN and CP, Metrolinx does not know that it is getting what it pays for, as it does not verify charged costs nor ensure that they are reasonable.
- Only 20% of the total amount of the 2020 targeted emissions reductions for Ontario of 18.7 megatonnes will likely be achieved in Ontario under the province's cap-and-trade system. The remaining 80%, or 14.9 megatonnes, is forecast to occur in Quebec and/or California.
- There are potentially thousands of polluters operating without government approval, and about 80% of the 32,500 emitters that received approvals in the last 15 years have never been inspected by the Ministry of the Environment and Climate Change.
- Ontario generally requires no environmental assessments in advance of private-sector projects in, for example, mining and chemical manufacturing, which can have extensive long-term environmental and health impacts. No environmental assessments have been conducted on the government's plans (other than forest-management plans) in the past two decades.
- The province's health-care sector spent \$8 billion over the last 14 years to implement an Electronic Health Record initiative—but the initiative remains unfinished.
- Ontario does not have province-wide standards for use by all hospitals relating to the admission, treatment and discharge of people with mental illness, and wait times to access services are increasing.

- Emergency surgeries have to compete with elective surgeries for operating-room time, resulting in long wait times for patients requiring emergency surgeries.
- The incremental cost of patient-enrolment models has not always led to more timely access to a family physician. Enrolled patients are still visiting walk-ins, other physicians and hospital emergency rooms for services treatable by their family physicians.
- After audits in 2003 and 2008, the Ministry of Children and Youth Services has still not made changes to ensure that agencies deliver mental-health services to children and youth appropriately, cost-effectively and on a timely basis.
- Ontario does not prioritize the placement of high-needs individuals into mental-health supportive housing, meaning people with less serious needs can get placements first.
- The government spends more than \$1 billion annually on employment programs and services, but only 38% of people who received them last year were employed full-time when they completed their programs, and fewer than half of the people who begin an apprenticeship program complete it.
- The government often hires external consultants to do IT work, even though each one costs \$40,000 a year more than hiring permanent staff.

Volume 2 contains follow-up reports on the 12 audits we conducted in 2014, where we noted that the government is acting on 75% of the recommendations made in those audits. Volume 2 also contains follow-ups on the eight reports issued by the all-party Standing Committee on Public Accounts, and our special reports on Ornge air ambulance, winter highway maintenance and the Ontario Lottery and Gaming Corporation's modernization plan.

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For more information, please contact:
Bonnie Lysyk
Auditor General
(416) 327-1326

To view the report, please visit www.auditor.on.ca.

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