

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 may present 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 2018 election, Committee members were appointed on July 26, 2018. The Chair and Vice-Chair were elected on August 8, 2018, at the Committee's first meeting of the 42nd Parliament. The membership as of August 2018 is as follows:

- Catherine Fife, Chair, New Democrat
- Peggy Sattler, Vice-Chair, New Democrat
- Goldie Ghamari, Progressive Conservative
- Jim McDonell, Progressive Conservative
- Norman Miller, Progressive Conservative
- Suze Morrison, New Democrat
- Michael Parsa, Progressive Conservative
- Kinga Surma, Progressive Conservative
- Daisy Wai, Progressive Conservative

Prior to the June 2018 election, Committee members were appointed on July 16, 2014, following the June 2014 election. The Chair and Vice-Chair were elected on October 22, 2014, at the Committee's first meeting. The membership as of May 2018, prior to the June 2018 election, was as follows:

- Ernie Hardeman, Chair,
Progressive Conservative
- Lisa MacLeod, Vice-Chair,
Progressive Conservative
- Bob Delaney, Liberal
- Vic Dhillon, Liberal
- Han Dong, Liberal
- John Fraser, Liberal
- Percy Hatfield, New Democrat
- Randy Hillier, Progressive Conservative
- Liz Sandals, Liberal

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 generally 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, the Public Accounts chapter, and follow-up chapters of our Annual Report. Normally, each of the political parties annually selects a minimum of 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 may prepare a draft report pursuant to the Committee's instructions as the Committee typically reports its findings to the Legislative Assembly.

In addition, the Clerk, at the direction of the Committee, may also request 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 14 meetings between September 2017 and October 2018. Topics addressed at these meetings included Government Advertising, Immunization, Metrolinx, Public Accounts, the

Independent Electricity System Operator, Settlement and Integration Services for Newcomers, Real Estate Services, Public Health: Chronic Disease Prevention and Cancer Treatment Services. 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.

Reports of the Committee

The Committee issues reports on its work for tabling in the Legislative Assembly. These reports summarize the information gathered by the Committee during its meetings and include the Committee's comments and recommendations. Once tabled, all committee reports are publicly available through the Clerk of the Committee or online at www.ola.org, 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 August 31, 2018, the Committee tabled the following 10 reports in the Legislature since our last report on its activities:

- December 6, 2017: Employment Ontario
- December 13, 2017: Ministry of Transportation
- December 13, 2017: Child and Youth Mental Health
- February 22, 2018: Physician Billing
- February 22, 2018: Large Community Hospital Operations
- April 24, 2018: Immunization
- May 1, 2018: Review of Government Advertising

- May 1, 2018: Independent Electricity System Operator—Market Oversight and Cybersecurity
- May 3, 2018: Public Accounts of the Province
- May 3, 2018: Metrolinx—Public Transit Construction Contract Awarding and Oversight

One of the 10 reports tabled by the Committee—Immunization—was based on a follow-up report completed by our Office in our *2016 Annual Report*. Five of the other reports tabled by the Committee addressed our 2016 value-for-money audits on Employment Ontario, the Ministry of Transportation, Child and Youth Mental Health, Physician Billing, and Large Community Hospital Operations. The four remaining reports tabled by the Committee addressed our Review of Government Advertising, Independent Electricity System Operator—Market Oversight and Cybersecurity, Public Accounts of the Province, and Metrolinx—Public Transit Construction Contract Awarding and Oversight from our *2017 Annual Report*.

Of the 10 reports tabled by the Committee, there were two reports that included a Dissenting Opinion of the Members of the Progressive Conservative Party. The Committee's reports on the Review of Government Advertising and the Public Accounts of the Province include an appendix at the end of the report to outline the areas in which they disagree with contents of the report of the Committee. The Committee met subsequent to the public hearings to write the Committee's reports on these audits; however, the Committee did not reach consensus on the contents and recommendations of the reports, which is why there are dissenting opinions appended to two of the reports.

In Volume 2 of our Annual Report, we included our follow-ups on the recommendations the Committee made in all of its reports. 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 (for example, fully implemented, or in the process of being implemented).

Special Reports

Two sections of the *Auditor General Act* authorize the Auditor General to undertake additional special work. Under Section 16, the Standing Committee on Public Accounts may resolve that the Auditor General must examine and report on any matter respecting the Public Accounts. Under Section 17, the Legislative Assembly, the Standing Committee on Public Accounts or a minister of the Crown may request that the Auditor General undertake a special assignment. However, these special assignments are not to take precedence over the Auditor General's other duties, and the Auditor General can decline such an assignment requested by a minister if he or she believes that it conflicts with other duties.

In recent years when we have received a special request, our normal practice has been to obtain the requester's agreement that the special report will be tabled in the Legislature on completion and made public at that time.

On September 27, 2017, the Committee passed a motion for us to conduct an audit of the proposed Metrolinx GO stations at Kirby and Lawrence East. As well, on October 25, 2017, the Committee passed a motion for us to conduct an audit of

the Niagara Peninsula Conservation Authority (NPCA). Our special report on the NPCA was tabled in the Legislature on September 27, 2018, and our special report on Metrolinx was tabled as part of our *2018 Annual Report*.

In addition, on March 21, 2018, the Committee passed a motion for our Office to conduct an audit of the Tarion Warranty Corp. This report will be tabled in 2019. On October 24, 2018, the Committee passed a motion for our Office to "conduct an audit of the costs associated with illegal border crossers as it relates to all services provided through the government of Ontario and its municipalities for the three years ending July 31, 2018." This audit will be conducted in 2019.

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 across Canada. CCPAC holds a joint annual conference with the Canadian Council of Legislative Auditors to discuss issues of mutual interest.

The 39th annual conference was hosted in Charlottetown, Prince Edward Island, from September 23 to 25, 2018. The 40th annual conference will be hosted in Niagara-on-the-Lake, Ontario, from August 18 to 20, 2019.