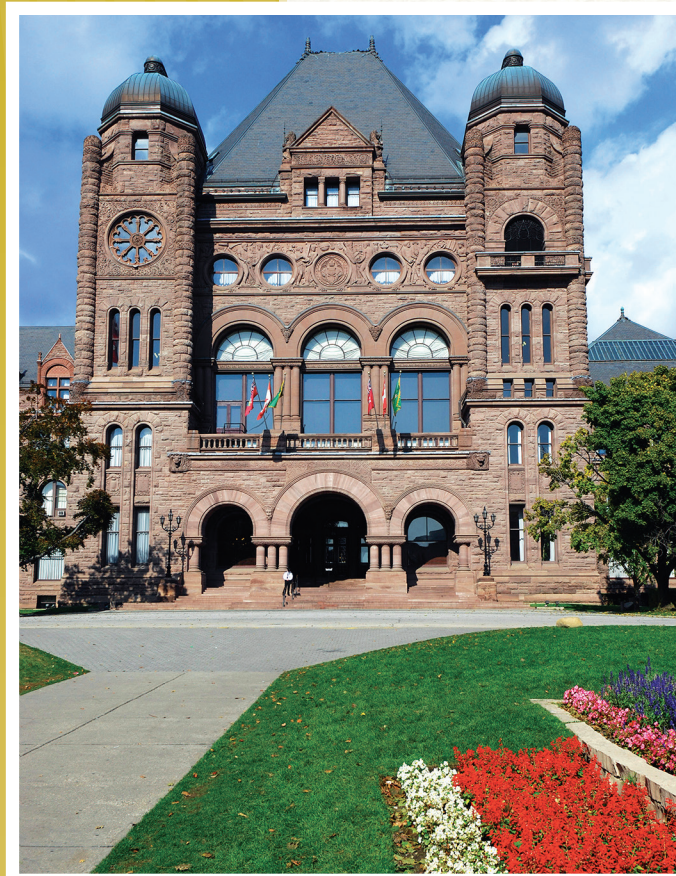




Office of the Auditor General of Ontario

The Standing Committee on Public Accounts



December 2023

The Standing Committee on Public Accounts

1.0 Role of the Public Accounts Committee

The Public Accounts Committee (PAC), more formally known as the Standing Committee on Public Accounts, 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 PAC as they become available. The PAC 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 PAC may also request the Auditor General to examine any matter in respect of the Public Accounts or undertake a special assignment on its behalf.

The PAC holds hearings throughout the year when the Legislature is in session relating to matters raised in our Office's reports and may present its observations and recommendations from hearings in its reports to the Legislative Assembly.

2.0 Appointment and Composition of the Public Accounts Committee

Members of the Public Accounts Committee (PAC) are 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 PAC is normally established for the duration of the Parliament, from the opening of its first session immediately following a general election to its dissolution. Based on the Standing Orders, the Chair of the Public Accounts Committee is a member of the official opposition and the Vice-Chair is a member of the government party. Historically, as a practice, both the Chair and Vice-Chair of the PAC were members of the official opposition until changes were made to the Standing Orders in 2021.

In accordance with the Standing Orders of the Legislative Assembly and following the June 2022 election, PAC members were appointed on August 10, 2022. The Chair and Vice-Chair were elected on August 22, 2022, at the Public Accounts Committee's first meeting of the

43rd Parliament. There were membership changes on August 23, 2022 and September 26, 2023. The Public Accounts Committee membership is as follows:

- **Tom Rakocevic**, Chair, New Democrat (effective August 22, 2022)
- **Donna Skelly**, Vice-Chair, Progressive Conservative (effective August 22, 2022)
- **Will Bouma**, Progressive Conservative (appointed August 10, 2022)
- **Rick Byers**, Progressive Conservative (appointed August 10, 2022)
- **Lucille Collard**, Liberal (appointed August 10, 2022)
- **Stephen Crawford**, Progressive Conservative (appointed August 10, 2022)
- **Rudy Cuzzetto**, Progressive Conservative (appointed August 10, 2022)
- **France Gélinas**, New Democrat (appointed August 10, 2022)
- **Logan Kanapathi**, Progressive Conservative (appointed August 10, 2022)
- **Laura Smith**, Progressive Conservative (appointed August 10, 2022)
- **Lise Vaugois**, New Democrat (appointed August 23, 2022)

3.0 Auditor General's Advisory Role with the Public Accounts Committee

In accordance with section 16 of the *Auditor General Act*, at the request of the Public Accounts Committee (PAC), the Auditor General, who may be accompanied by senior staff, attends the PAC meetings to assist with its reviews and hearings relating to our Office's reports and Ontario's Public Accounts.

As reported in last year's Annual Report, there have been a number of changes with respect to the Auditor General's relationship with the PAC. On November 14, 2022, the PAC met in closed session and subsequently passed a motion that the Auditor General and staff of the Office of the Auditor General of Ontario only appear before the PAC as witnesses upon invitation for the purpose of briefing the PAC and answering questions about the Office's reports, or, where PAC agrees, to provide supplementary briefings. It was also adopted by the PAC that when a meeting is held in closed session, the attendance of the Auditor General and supporting staff shall be limited to that portion of the meeting when they have been invited to appear as witnesses.

The Office of the Auditor General will continue to work with the PAC to support the achievement of its mandate and will provide this support in the manner preferred by the Committee. However, the changes made over the last year are a departure from the longstanding practice whereby the Auditor General has attended all PAC meetings in their entirety as an advisor (not a witness) and was included on all correspondence shared with the PAC as it was provided to the Committee (such as updates from auditees). The 2022 changes have limited the Office's ability to support the PAC in its work. For instance, the Auditor General no longer attends meetings when the Committee conducts report writing and therefore cannot answer the Committee's questions in real-time related to the audit or subject matter, give advice on writing effective recommendations to address audit issues or ensure recommendations are directed to the appropriate entities. At present, the Office follows up on the status of the PAC's recommendation on the Committee's behalf. However, the exclusion of the Auditor General from the report writing further limits the ability of the Office to understand the intent and context of the PAC's recommendations.

4.0 Public Accounts Committee Procedures and Operations

The Public Accounts Committee (PAC) meets weekly when the Legislative Assembly is sitting and, with the approval of the House, meets at any other times of its choosing. When the Legislature returned from the 2022 general election, the meeting day for the Public Accounts Committee was changed from Wednesdays to Mondays. Meetings have been held on Wednesdays since 2008.

All meetings are generally open to the public except for those dealing with setting the PAC's agenda and the preparation of its reports. All PAC proceedings that are open to the public are recorded in Hansard, the official substantially verbatim report of debates, speeches and other Legislative Assembly proceedings.

The PAC identifies matters of interest from our reports and conducts hearings on them. It typically reviews value-for-money reports, the Public Accounts chapter and follow-up reports. Normally, each of the political parties annually selects three to six audits or other sections from our current or past audits for PAC review.

At each hearing, the Auditor General and a Research Officer from the Legislative Research Service brief the PAC on the applicable report. A briefing package is prepared by the Research Officer that includes the responses to report recommendations from the relevant ministry, Crown agency or broader-public-sector organization that was the subject of the audit or review. The PAC typically requests senior officials from the auditee(s) to appear at the hearings and respond to the PAC's questions. Because our reports deal with operational, administrative and financial matters (rather than policy), ministers are generally not asked to attend as witnesses. Once the PAC's hearings are completed, the Research Officer may prepare a draft report pursuant to the PAC's instructions, as the

PAC typically reports its findings and recommendations to the Legislative Assembly.

In addition, the Clerk, at the direction of the PAC, requests those auditees of audit reports that were not selected for hearings to provide the PAC with an update of the actions taken to address our recommendations and other concerns raised in our reports.

5.0 Meetings Held

The Public Accounts Committee (PAC) held 19 meetings between November 2022 and October 2023. Topics addressed at these meetings included court operations, outpatient surgeries, the criminal court system, highway planning and management, climate change adaptation, management of invasive species, the Ontario Motor Vehicle Industry Council, the Ontario Lottery and Gaming Corporation, conserving the Niagara Escarpment, the Financial Services Regulatory Authority and the Ontario Energy Board. Ten of these meetings included hearings in which government and broader-public-sector witnesses were called to testify before the PAC and responded to questions regarding observations contained in our Office's reports. Other meetings were spent on PAC business, writing the PAC's reports, or hearing briefings from the Auditor General.

6.0 Reports of the Public Accounts Committee

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

PAC reports typically include recommendations and a request that management of the ministry, agency or broader-public-sector organization provide the PAC Clerk with responses within a stipulated time frame. As of October 31, 2023, the PAC had tabled five reports in the Legislature since we last reported on its activities in our 2022 Annual Report:

- **February 21, 2023:** Ontario Motor Vehicle Industry Council (*2021 Annual Report* of the Office of the Auditor General of Ontario) Standing Committee on Public Accounts
- **February 21, 2023:** COVID-19 Personal Protective Equipment Supply (*2021 Annual Report* of the Office of the Auditor General of Ontario) Standing Committee on Public Accounts
- **February 21, 2023:** COVID-19 Economic Response and Supports for Businesses (*2021 Annual Report* of the Office of the Auditor General of Ontario) Standing Committee on Public Accounts
- **February 21, 2023:** Condominium Oversight in Ontario (*2020 Annual Report* of the Office of the Auditor General of Ontario) Standing Committee on Public Accounts
- **September 25, 2023:** Chapter 2: Court Operations (Volume 3: *2019 Annual Report* of the Office of the Auditor General of Ontario) Standing Committee on Public Accounts

These reports addressed audits from our *2019, 2020* and *2021 Annual Reports*.

In our follow-up volume this year, we include follow-up reports on the recommendations made by the PAC

in five reports that were tabled in 2021 and early 2023: Condominium Oversight, COVID-19 Economic Supports, COVID-19 Personal Protective Equipment, Ontario Motor Vehicle Industry Council and Tarion Warranty Corporation.

In each of these follow-up reports, you will find:

- the recommendations contained in the Public Accounts Committee's report;
- the auditee's responses to the Public Accounts Committee's recommendations; and
- a table summarizing the status of each action from the Public Accounts Committee's recommendations (for example, fully implemented, or in the process of being implemented).

7.0 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 44th annual conference was held in person in Whitehorse, Yukon on September 10 to 12, 2023. Next year, the 45th annual conference will be held in Québec City, Québec.



Office of the Auditor General of Ontario

20 Dundas Street West, Suite 1530
Toronto, Ontario
M5G 2C2
www.auditor.on.ca