News Release

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Substandard Asphalt Leads to Early Cracking of Provincial Highways: Auditor General

(TORONTO) The pavement on major provincial roads has failed prematurely because contractors hired by the Province have sometimes used substandard asphalt, Auditor General Bonnie Lysyk says in her 2016 *Annual Report*.

"Premature cracks in pavement have significantly increased the Ministry's highway-repair costs," Lysyk said today after her Report was tabled in the legislature. "The Ministry of Transportation needs to be more proactive to ensure the right material is used so that work is done properly the first time."

The Ontario Hot Mix Producers Association (representing asphalt producers and cement suppliers) requested that the Ministry delay implementing tests that would help identify asphalt likely to crack prematurely, and the Ministry agreed.

In the past five years, the Ministry completed almost 2,100 projects at a cost of about \$6.1 billion, with about \$1.4 billion of that going to asphalt to pave highways.

For a sample of five highway jobs where documentation was available, we calculated that the Ministry paid \$23 million for repairs, after only one to three years, on top of the \$143 million to initially pave these highways that should have lasted 15 years.

The Ministry also pays contractors bonuses (approximately \$8 million annually) for providing the quality of asphalt as required in the contract, something contractors are always expected to do anyway. It also continued paying bonuses even though it became aware that contractors were tampering with asphalt samples to obtain the bonuses.

Other significant findings in the Report include:

- Ministry officials allowed the Ontario Road Builders' Association to influence its internal operational policies to benefit contractors rather than the Ministry.
- The Ministry is lenient with contractors who perform poorly, allowing those that have received unsatisfactory ratings to continue to bid for and win significant amounts of work. The Ministry has also paid to repair substandard work even when it was covered by the contractor's warranty.
- Contractors hire the engineers who certify the quality of construction projects, not the Province. Some engineers have provided certifications for structures across the province later found to have problems.
- The Ministry continues to award projects to contractors that breach safety regulations. Its penalties for these contractors are supposed to prevent them from bidding on future work, but in fact do not.

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



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