FW: Expert Panel Media Q&As

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Hi Cindy,

If you happen to check your email in time, there are 2 additional media Q&As on the panel in light of the announcement this week. Nadine has drafted the following – if you have any concerns by end of day please let me know.

Thanks
Sarah

Why are you continuing to fight the Auditor General in public on this issue?

It was unfortunate that the government and Auditor General were not able to reach agreement on the interpretation of Public Sector Accounting Standards for pension plans for the 2015/16 Public Accounts. From the government's perspective, the accounting treatment for jointly sponsored pension plans that was initially adopted in 2001 is still appropriate. The time-limited regulation enacted for the 2015/16 Public Accounts was necessary to allow officials from Treasury Board Secretariat and the Ministry of Finance to sign off on financial results consistent with the Auditor General's interpretation of the standards.

Since the release of the Public Accounts, the government has taken action to establish an Expert Advisory Panel to provide advice on the interpretation of the accounting standards to Ontario's defined benefit pension plans. The results of the Panel will help inform the province's future accounting treatment. It remains the government's responsibility to ensure that the Province's financial results are presented fairly. The actions being taken by the government are intended to serve the public interest and to fulfill that important responsibility.

You've agreed to use the Auditor General's numbers on this issue in September, why don't you just accept her ruling and continue to use her methodology going forward?

Although the 2015-16 Public Accounts reported results are consistent with the Auditor General's interpretation of the accounting standards for jointly sponsored pension plans, those results were only made possible through a regulation enacted by the government. The Province and the Auditor General continue to disagree on the interpretation of the accounting standards which would require a full writeoff of the net pension asset according to the Auditor General's interpretation. To ensure the fair reporting of the Province's financial results, the government has established an Expert Advisory Panel that will advise the government on the interpretation of accounting standards to the government's defined benefit pension plans. The results of the Panel, once available, will help to inform the Province's future accounting treatment for our defined pension benefit plans.