

Public Accounts Discussion with Auditor General

October 3, 2016

We are here to discuss finalizing Public Accounts. Releasing the Public Accounts on a timely basis is very important to serve the public interest. We appreciate the efforts of you and your Office in working with the Province on some very complex accounting issues this year, but as you know, we are now past the statutory deadline for tabling Public Accounts.

We understand that despite the considerable amount of time and effort that has been invested by staff from our two ministries to try to bring closure to the Public Accounts, to date you have not been able to sign off on them and issue an audit opinion.

We are aware of your concerns regarding the accounting for the pension assets for OTPP and OPSEUPP on the Province's books.

We understand that you have suggested that the Province take as long as we need to study the issue. While that is a generous suggestion, it is our position that the public interest would not be best served by any further delays in releasing the Public Accounts.

We understand that legislated accounting was the only option that presents the numbers for 2015-16 as you believe they should be reflected that staff would be able to sign their names to. We were prepared to support the use of legislated accounting to ensure that the results to the public reflect the numbers that you deem accurate. No one is served by confusion around the numbers.

The legislative solution also acknowledges the need for further analysis and discussion on pension accounting on the province's books, which is a priority to both of us and our Cabinet colleagues, given:

- the significant impact that these changes can have on the Province's books; and
- because they have been accounted for consistently for the last 14 years, receiving clean audit opinions from you and three of your predecessors.

We are concerned as to why you have not been able to sign off on the financial statements to date, and why you have been reluctant to provide an accounting opinion on the statements that have been submitted to your Office on September 29. In fact, we understand that you have an obligation to do so.

For discussion:

IF AG declines to provide an opinion:

We believe that it is not in the public interest to experience further delay in seeing the province's financial results. We ask with urgency that you reconsider.

IF AG asks for more time to consider whether or not to provide an opinion.

We believe that further delay in knowing the state of the province's finances for 2015-16 would be contrary to the public interest. We request that you provide us with an assurance that you will provide an opinion by midday today.

If AG responds that she is prepared to offer an opinion by Wednesday the 5th:

In this challenging situation, that is helpful and we will look forward to tabling public accounts based on that opinion.