

FW: Auditor General annual report 2016 - media roundup and analysis

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Attachments: Auditor General 2016 - main media coverage clippings - Nov-30-2016.docx (928.1 kB); Auditor General 2016 - Twitter reaction - Nov-30-2016.docx (196.18 kB); IT general controls summary.pdf (122.75 kB); Procurement summary.pdf (121.45 kB); AG NR on public accounts.pdf (110.87 kB); AG overall NR.pdf (179.77 kB); AG NR on procurement.pdf (160.49 kB); AG NR on GAA.pdf (160.42 kB); AG NR on appointments.pdf (157.37 kB); Canadian Press - latest story quotes Minister Sandals.docx (15.29 kB); Public appointments summary.pdf (116.41 kB)

Sending to all of you since this roundup is for all chapters.

If you haven't downloaded the report yet you can do so here:
<http://www.auditor.on.ca/en/content/annualreports/arbyyear/ar2016.html>

From: Cairns, Alan (TBS)
Sent: November-30-16 3:53 PM
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Subject: Auditor General annual report 2016 - media roundup and analysis

The Auditor General's report for 2016 featured numerous highlights.

From a Treasury Board Secretariat perspective, the most coverage of issues involved the Auditor General's criticism of the Pension Plan Accounting issue and what she called "partisan" ad expenditures under the Government Advertising Act.

The GAA was the subject of main, or partial coverage in at least eight articles, among them pieces written by Canadian Press and the Toronto Star and Sun. These stories get widespread circulation to CP members, TorStar group and PostMedia corporation's media outlets.

Minister Sandals was asked to defend the government ad spending at a post-report media conference. Selected comments were picked up in a later version of the Canadian Press story on the GAA. The later version is attached (Minister's comments highlighted in yellow).

Problems with roadway contracts and shoddy work, contracting for Metrolinx, an

incomplete eHealth system that has so far cost \$8 billion, doctor billings and hospital wait times received the lion's share of the immediate media.

There was no media coverage of other issues of concern to TBS, including standing chapters on Public Accounts and Public Appointments. Nor did special Value for Money Audits on IT General Controls and TBS/MGCS Supply Chain procurement gain any immediate traction.

Auditor General Bonnie Lysyk mentioned in her opening remarks that fee-for-service consultants had cost the government \$40,000 a year more for each consultant than in-house employees, but the point was not picked up by media.

NDP critic Catherine Fife mentioned in her post event remarks that contracted consultants had hired other consultants, offering it as an example of failed controls. This has not been picked up by media at this point.

Please find attached:

- an inventory of media articles – indexed by topic and outlet name. TBS issues and mentions are highlighted in yellow;
- A compilation of Twitter messages; and,
- Eight AG new releases/summaries posted on the AG website. Note that the IT General Controls summary was not available, nor were there any summary documents on GAA or Public Accounts news releases. AG news media products can be found here: <http://www.auditor.on.ca/en/content/news/news.html>

The annual report 2016 can be found at
<http://www.auditor.on.ca/en/content/annualreports/arbyyear/ar2016.html>

The following Canadian Press highlights story perhaps offers perspective on where the media will focus its subsequent attention:

- The government pays highway contractors about \$8 million per year in bonuses for meeting a quality standard for asphalt, even in cases when it knows contractors tampered with asphalt samples just to get the bonuses.
- Road contractors continue to get work from the government even when they have performed unsatisfactory work or breached safety regulations.
- The government paid \$23 million for repairs on five highway projects — in addition to an initial \$143 million to pave them — after only one to three years, when the highways should have lasted 15 years.
- Construction projects by Metrolinx, a Greater Toronto and Hamilton Area transit agency, are responsible for one in every seven dollars of Ontario's capital spending. The auditor says it fails to hold contractors and design consultants accountable for inadequate or late work, and foots the bill for millions in additional costs.
- Ontario's cap-and-trade program will cost Ontario businesses and households about \$8 billion between 2017 and 2020 and will likely generate less than 20 per cent of the government's target of emissions reductions.
- About 80 per cent of companies that have received emissions approvals in the last 15 years have never been inspected, and the government doesn't know how many emitters given

approvals more than 15 years ago are still operating.

- Ontario is the only province that doesn't require environmental assessments for private-sector mining and chemical manufacturing projects. It will cost \$1 billion to clean up just four such sites, the auditor found.
- Ontario's health-care sector spent \$8 billion over the last 14 years to implement electronic health records, but the initiative still isn't complete, and it's impossible to say if the project is on budget because there wasn't an overall one.
- The number of children and youth hospitalized with mental-health problems has risen 50 per cent in the last seven years, but the government hasn't analyzed why or how to address it.
- The Ministry of Health didn't investigate billings for nine specialists who claimed to work more than 360 days in 2015-16, including six who billed for the full 366 days.
- A shortage in psychiatric care in Ontario led to the government spending nearly \$10 million to send 127 youth to the United States for treatment.
- At three hospitals the auditor's office visited as a sample, patients requiring intensive care were transferred to the ICU within 23 hours, well above the government's target of eight hours. And 47 per cent of patients at those hospitals who should have received emergency surgery within two to eight hours had to wait 18 hours, on average.
- Many hospitals close operating rooms to all procedures except for emergency surgeries on evenings, weekends, statutory holidays, March break and for between two and 10 weeks during the summer.
- In 2014-15, Ontario hospital patients had the second-highest rate of sepsis in Canada, after the Yukon. The auditor says high bed occupancy rates contribute to the likelihood of hospital infections.