

## Chapter 1

### Section 1.16

# Public Accounts of the Province

Follow-Up on Chapter 2, *2016 Annual Report*

RECOMMENDATION STATUS OVERVIEW						
	# of Actions Recommended	Status of Actions Recommended				
		Fully Implemented	In Process of Being Implemented	Little or No Progress	Will Not Be Implemented	No Longer Applicable
Recommendation 1	1	1				
Recommendation 2	3	2	1			
Recommendation 3	2	2				
Recommendation 4	1	1				
Recommendation 5	1		1			
Recommendation 6	1	1				
Recommendation 7	1	1				
Recommendation 8	1	1				
Recommendation 9	1	1				
Recommendation 10	3	3				
<b>Total</b>	<b>15</b>	<b>13</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>%</b>	<b>100</b>	<b>86</b>	<b>14</b>	<b>0</b>	<b>0</b>	<b>0</b>

## Overall Conclusion

As of September 20, 2018, 86% of the actions we recommended in our *2016 Annual Report* have been fully implemented. For example, since our audit, the Province has recorded a full valuation allowance against the net pension assets of the Ontario Teachers' Pension Plan and the Ontario Public Service Employees Union Pension Plan in its consolidated financial statements for the year

ended March 31, 2018. In addition, in those same statements, the Province recorded the full financial impact of the reduction in Ontarians' electricity rates resulting from the implementation of the *Ontario Fair Hydro Plan Act, 2017*.

The Office of the Provincial Controller Division has made progress in implementing the remaining 14% of actions. For example, the Treasury Board Secretariat (Secretariat) has begun, and is committed to, providing its accounting position papers for significant issues, and other relevant supporting

documentation, to us before March 31 of each fiscal year. In addition, at the time of our follow-up, the newly elected government has indicated that the recommendations of the Independent Financial Commission of Inquiry will inform future fiscal planning and that it has not yet had the opportunity to establish a targeted net debt-to-GDP ratio.

The status of actions taken on each of our recommendations is described in the following sections.

## Background

The Consolidated Financial Statements for the Province of Ontario presented fairly the Province's annual deficit, net debt and accumulated deficit for the year ended March 31, 2016—but not for the prior fiscal year comparative figures. Consequently, we issued a qualified audit opinion.

This issue stemmed from the correction of an error in the Province's accounting for pension assets of pension plans where the government is a joint sponsor. The government made the decision to properly adjust the statements for 2015/16. However, the prior year's comparative figures in the Province's consolidated financial statements were not adjusted.

Restating the prior year comparative figures is necessary to conform to standards of the Canadian Public Sector Accounting Board (PSAB) and, just as significantly, better convey to users of the statements that the impact on prior years' figures needs to be considered when looking at past financial trends.

We were puzzled by the approach taken by the Treasury Board Secretariat (Secretariat) and the Ministry of Finance (Ministry) in discussions with us during the audit regarding the accounting error. The government properly made the adjustment in the 2015/16 fiscal year despite publicly disagreeing with the accounting treatment presented in its own financial statements. It also disclosed in a note to

the financial statements that this reflected the Auditor General's interpretation of PSAB standards.

The government had sought external accounting and legal advice in August and September 2016, but was still unable to provide us with an adequate position paper supporting its view that pension assets should continue to remain as an offset to pension liabilities on the Province's consolidated financial statements.

The accounting issue stemmed from the fact that the Province does not have unilateral access to and control of the pension plan assets. There is no agreement with the joint sponsor that provides the Province with access to the pension plan assets. Unrestricted access to assets of any kind, whether they are pension assets or not, is required under generally accepted accounting principles in order to have an asset recorded in the financial statements.

The ultimate responsibility for the application of PSAB standards rests with management—in this case, the Secretariat and the Ministry acting for the government—as preparers of the financial statements, who should consult with the Auditor General of Ontario as the financial statement auditor for the Province. As the auditor, we provide an opinion on whether the financial statements prepared by management are in accordance with PSAB standards. Thus, accounting decisions rest with management but the opinion decision rests with the Auditor General.

Equally unusual was that the government chose to enact an unnecessary regulation that only partially complied with PSAB standards, presumably to avoid a qualification by the Auditor General on the 2015/16 annual results.

In the past, we cautioned that the government had passed legislation to allow it to legislate accounting treatments through regulations whenever it wanted, rather than follow PSAB standards. We continued to caution in **Chapter 2** of our *2016 Annual Report* that the use of legislated accounting treatments by the government on future transactions, or the introduction of further legislated accounting treatments, could increase the risk that

the future financial results of the Province may not be fairly stated.

It was and continues to be our view that Canadian public sector accounting standards (PSAS) are the most appropriate for the Province to use in preparing the consolidated financial statements because they ensure that information provided by the government about the surplus and the deficit is fair, consistent and comparable to data from previous years and from peer governments. This allows all legislators and the public to better assess government management of the public purse.

## Additional Issues

**Increasing Audit Risk**—The actions taken by the government in releasing the consolidated financial statements late in 2016 and without the audit opinion of the Auditor General, while also publicly disagreeing with an accounting issue before providing the Auditor General with information needed for her to issue an audit opinion, could have been perceived by some as an attempt to undermine the role of the Office of the Auditor General. We noted that materials were likely already printed, and a plan was likely already in place to publicly release the consolidated financial statements without the Auditor General’s opinion, when we met with the then Ministers of Treasury Board and Finance, their Chiefs of Staff and their Deputy Ministers on the morning of October 3, 2016, to further discuss the pension asset accounting issue. Yet nothing was mentioned at the meeting about the planned release later that day. Under Canadian Auditing Standards, the actions taken by government and the preparers of the consolidated financial statements toward financial reporting required us to reassess audit risk. We stated in 2016 that going forward, our Office would need to approach the audit of the consolidated financial statements with increased professional skepticism and would assess the need for expanded audit procedures.

**Increasing Debt Burden**—The Province’s growing debt burden remained a concern in 2016,

as it had been since we first raised the issue in 2011. In 2016, as in the past, we focused on the critical implications of the growing debt for the Province’s finances.

Consistent with our commentary in our *2015 Annual Report*, the government should provide legislators and the public with long-term targets for addressing Ontario’s current and projected debt and develop a long-term debt-reduction plan.

**Use of U.S. Generally Accepted Accounting Principles (U.S. GAAP) Financial Results in Ontario’s Financial Statements**—In **Chapter 2** of our *2016 Annual Report*, we stated that we were carefully watching the financial impact on the Province’s consolidated financial statements of the government’s decision to consolidate Ontario Power Generation (OPG) and Hydro One’s financial results based on U.S. GAAP instead of consolidating their financial results based on International Financial Reporting Standards (IFRS), as required by PSAB standards. We noted that the differences between the two standards could lead to material accounting differences, potentially as early as the 2016/17 fiscal year.

**Pension Note Disclosure Needed Improvement and Pension Assumptions Could Be Re-Assessed**—Based on additional research we conducted in 2016, we recommended that the Province expand the pension plan disclosures in its consolidated financial statements and revisit the reasonableness of its pension assumptions.

We made 10 recommendations, consisting of 15 actions needed for improvement.

## Status of Actions Taken on Recommendations

We conducted assurance follow-up work between April 2, 2018, and September 20, 2018, and obtained written representation from the Treasury Board Secretariat and the Ministry of Finance that

effective October 31, 2018, that it had provided us with a complete update of the status of the recommendations we made in the *2016 Annual Report*.

## Discussion of the Accounting Treatment of a Pension Asset

### Recommendation 1

*We recommend that the Treasury Board Secretariat and the Ministry of Finance finalize their position on the pension asset issue.*

**Status: Fully implemented.**

#### Details

During our 2016 audit, the Province passed a time-limited regulation to prescribe the accounting treatment of net pension assets relating to two of its jointly sponsored pension plans—Ontario Teachers' Pension Plan (Teachers' Pension) and the Ontario Public Service Employees Union Pension Plan (OPS Pension). The legislation required a full valuation allowance be recorded against the net pension assets, therefore writing off the value of the assets. The Province also established a Pension Advisory Panel (Panel) to provide it with advice and recommendations as to the application of PSAS to Ontario's net pension assets.

In February 2017, the Panel completed its report and concluded that the Province should continue to recognize its share of the net pension assets for both the Teachers' Pension and OPS Pension (that is, no valuation allowance was required for either pension plan). During our audit of the March 31, 2017, consolidated financial statements, the Treasury Board Secretariat (Secretariat) concluded that the Province should record the full value of its share of the net pension assets relating to the Teachers' Pension and OPS Pension.

In its March 31, 2018, consolidated financial statements, in accordance with PSAS, the Province recorded a full valuation allowance against the net pension assets for both plans in its consolidated financial statements. This is consistent with the recommendation made by the Independent Finan-

cial Commission of Inquiry (Commission) in its report released in September 2018. The mandate of the Commission was to look into the former government's accounting practices and provide advice and recommendations. Going forward, the Secretariat will work with the ministries of Finance and Education, as well as the Auditor General, to consider what new information or developments are required to support a change in the valuation allowance for either pension plan in accordance with PSAS.

## Office of the Provincial Controller Division

### Recommendation 2

*In order to ensure that appropriate, timely and complete information is provided to the Office of the Auditor General during the conduct of the audit of the consolidated financial statements for the Province of Ontario, the Office of the Provincial Controller Division should:*

- *proactively alert senior officials in the Treasury Board Secretariat and the Ministry of Finance to significant issues that arise during the course of the annual audit;*

**Status: Fully implemented.**

#### Details

In 2017, the Office of the Provincial Controller Division (Controller Division) held three regular update meetings for the Secretary of Cabinet to advise it of any significant accounting issues that arose during the course of our audit of the Province's March 31, 2017, consolidated financial statements. As well, the Controller Division held three meetings with its Public Accounts Steering Committee (Committee) on the status of the audit. The Committee is made up of senior officials from both the Secretariat and the Ministry of Finance (Ministry).

As of March 2018, the Controller Division held three regular update meetings with respect to our

audit of the Province's March 31, 2018, consolidated financial statements. The Controller Division held additional meetings at regular intervals throughout the remainder of the audit.

- *provide the Office of the Auditor General with complete and timely position papers on significant accounting issues that detail its accounting positions and support for those positions;*

**Status: In the process of being implemented by March 2019.**

#### Details

The Office of the Provincial Controller Division (Controller Division) has provided the Auditor General's Office with complete and timely position papers on the majority of significant accounting issues. However, our Office did not receive the Controller Division's accounting position paper for the transactions relating to the Ontario Fair Hydro Plan until June 2018. This was nearly three months after the Province's March 31 fiscal year-end, and about seven months after our original request was made in November 2017. The accounting for the Ontario Fair Hydro Plan is one of the most significant accounting issues that has arisen during the course of our audit of the Province's March 31, 2018, consolidated financial statements.

Our Office would normally expect to receive all accounting position papers from the Controller Division for significant issues on or before the Province's March 31 fiscal year-end. It is important that our Office receive accounting position papers as soon as possible in order for us to have adequate time to assess the position taken, and discuss our findings with Controller Division staff. The Secretariat has begun and is committed to providing its accounting position papers for significant issues, and other relevant supporting documentation, to us before March 31 of each fiscal year. The Secretariat is also committed to informing our Office of any significant matters or issues that could impact the Province's consolidated financial statements as soon as possible.

- *strengthen and increase internal resources dedicated to providing accounting advice and preparing and finalizing the consolidated financial statements.*

**Status: Fully implemented.**

#### Details

In January 2018, the Office of the Provincial Controller Division created a new branch that provides accounting advice on complex accounting issues to ministries and Treasury Board/Management Board of Cabinet. The branch was created by bringing together the resources from three existing teams within the Controller Division, and obtaining approval to add three additional staff.

## Government's Use of External Advisors

### Recommendation 3

*Given that the Office of the Auditor General is the appointed auditor for the consolidated financial statements of the Province of Ontario, and in the interest of ensuring that all information is provided to the Office of the Auditor General on a timely basis, the Treasury Board Secretariat should:*

- *provide copies of contracts with the expert advisors it uses for accounting advice and opinions in order to ensure that the Office of the Auditor General understands the work that the expert advisors are performing and the impact it has on the annual audit;*

**Status: Fully implemented.**

#### Details

In the 2016/17 and 2017/18 fiscal years, during the audit of the Province's consolidated financial statements, our Office requested that the Secretariat provide us with copies of contracts relating to any expert advisors it uses for accounting advice and opinions. The Secretariat provided our Office with three contracts for experts it engaged for accounting advice in 2016/17 and two additional contracts in 2017/18. These expert advisors

provided advice and guidance to supplement the Controller Division's internal analysis of significant accounting issues.

- *request that their external advisors, engaged to provide accounting advice and opinions related to the public accounts audit, notify the Office of the Auditor General of the engagement as required by the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.*

**Status: Fully implemented.**

#### Details

The government engages external advisors throughout the year in various capacities that include providing accounting analysis, advice and interpretation. The interests of the Treasury Board Secretariat (Secretariat), the Ministry of Finance and our Office are best served when there is full disclosure on the intent and use of external advisors. For this reason, any work performed by external advisors in formulating an accounting position should be shared with us as soon as possible, as part of the audit of the consolidated financial statements.

The Secretariat has agreed to request its external advisors—engaged to provide accounting advice and/or opinions relating to the Office's audit of the public accounts—to notify our Office of their engagement, as required under the Code of Professional Conduct of the Chartered Professional Accountants of Ontario.

## Use of Legislated Accounting Standards

#### Recommendation 4

*We recommend the government follow the accounting standards established by PSAB, rather than using legislation and regulations to prescribe accounting treatments.*

**Status: Fully implemented.**

#### Details

As discussed in our *2016 Annual Report*, the Province passed legislation in 2009/10, 2011 and 2012 giving it the ability to prescribe certain accounting policies and treatments rather than apply Canadian PSAS. We also reported that these legislated accounting treatments have not yet resulted in the Province's consolidated financial statements materially departing from PSAS. However, we cautioned that if the Province reported a deficit or surplus under legislated accounting standards that was materially different than would be reported under PSAS, the Auditor General would have no choice but to include a reservation in the audit opinion.

In the 2015/16 fiscal year, the Province passed legislation that prescribed the accounting treatment for net pension assets relating to two of its jointly sponsored pension plans—Ontario Teachers' Pension Plan (Teachers' Pension) and Ontario Public Service Employees Union Pension Plan (OPS Pension). The legislation requires a full valuation allowance be recorded against the net pension assets, therefore writing off the value of the assets. While the legislated accounting treatment conformed to PSAS, the Province did not restate its 2014/15 comparative period. As a result, the Province received a qualified audit opinion in 2015/16 for failing to restate the comparative period for the effects of including a full valuation allowance on the net pension assets of the Teachers' Pension and OPS Pension.

In 2016/17, the Province stopped legislating the accounting treatment for the net pension assets of the Teachers' Pension and OPS Pension. It argued that it did not need to have unilateral legal right to its share of the pension plans' surpluses in order for it to recognize a net pension asset under PSAS. As a result, the Province did not record a valuation allowance for the net pension assets relating to the Teachers' Pension and OPS Pension—totalling \$12.429 billion—in its March 31, 2017, consolidated financial statements. The Province also retroactively restated the March 31, 2016, figures to exclude the valuation allowance previously

included in the prior year's consolidated financial statements. We continued to disagree with the Province's view that it did not require a full valuation allowance on the net pension assets for both the Teachers' Pension and OPS Pension.

In addition, the Province also received a qualification in our Independent Auditor's Report for recording the market account assets and liabilities of the Independent Electricity System Operator (IESO) in its March 31, 2017, consolidated financial statements. These market accounts, as recorded on the Province's consolidated financial statements, are not assets and liabilities of the Province. The government has no access or discretion to use the market account assets for its own benefit, nor does the government have an obligation to settle the market account liabilities in the event of default by market participants. As a result, Other Assets and Other Liabilities were each overstated by \$1.652 billion (2016 by \$1.443 billion). There was no effect on the Consolidated Statement of Operations.

Furthermore, our Independent Auditor's Report included an "other matters" paragraph that outlined the inappropriate use of rate-regulated accounting by the Province in its consolidated financial statements. This departure from PSAS did not have a material impact on the Province's consolidated financial statements and therefore did not lead to an additional qualification on the consolidated financial statements for the year ended March 31, 2017.

As discussed in our *Special Report on the Fair Hydro Plan* (Special Report), the Province passed the *Ontario Fair Hydro Plan Act, 2017* (Act) that reduced electricity rates by 25%. The Act requires the creation of a "regulatory" asset by the IESO—in effect, creating an asset using legislation—to cover the shortfall between what the IESO collects from local distribution companies and what it owes to power generators. The intention of the proposed accounting/financing design was to have no bottom-line impact on the Province's annual results and no impact on net debt. In our Special Report,

we recommended the government record the true financial impact of the Fair Hydro Plan on the Province's consolidated financial statements.

In the Province's consolidated financial statements for the year ended March 31, 2018, the government made the following accounting decisions to appropriately:

- recognize a full valuation allowance against the net pension assets for both the teachers' and the OPS pension plans;
- remove market account assets and liabilities;
- discontinue the use of rate-regulated accounting; and
- record the full financial impact of the Fair Hydro Plan.

These accounting decisions are in accordance with Canadian public sector accounting standards.

## Update on Ontario's Debt Burden

### Recommendation 5

*In order to address the Province's growing total debt burden, the government should work toward the development of a long-term total-debt reduction plan that is linked to its target of reducing its net debt-to-GDP ratio to its pre-recession level of 27%.*

**Status:** In the process of being implemented.

### Details

In our *2016 Annual Report*, we reported that the Province's growing debt burden remained a concern, as it has been since we first raised the issue in 2011. Consistent with our commentary in past years, the Office of the Auditor General recommended that the government should provide legislators and the public with long-term targets for addressing Ontario's current and projected debt, and that the government develop a long-term debt reduction plan.

At the time of our follow-up, the Province did not have a long-term debt reduction plan. In the 2017 Ontario Budget, the former government reported that it was targeting to reduce its net debt-to-Gross Domestic Product (GDP) ratio to its

pre-2008 recession level of 27% by the 2029/30 fiscal year. With the election of a new government in June 2018, an Independent Financial Commission of Inquiry was created to review past spending, accounting practices, and identify opportunities to improve the fiscal planning process in the future. The Commission's report, released September 2018, recommended that the government conduct analysis to determine and set an appropriate target and timeline to reduce the Province's ratio of net debt-to-GDP. The government has indicated that the recommendations of the Commission will inform future fiscal planning and that it has not yet had the opportunity to establish a targeted net debt-to-GDP ratio.

## Consolidation of Hydro One and Ontario Power Generation

### Recommendation 6

*We recommend that the Province of Ontario include Hydro One and OPG financial information in the consolidated financial statements using the IFRS reporting framework as required by PSAB standards.*

**Status: Fully implemented.**

#### Details

In our 2016 Annual Report, we reported that the Province chose to continue using U.S. Generally Accepted Accounting Practices (GAAP) and not International Financial Reporting Standards (IFRS) for the consolidation of the financial results of OPG and Hydro One in its March 31, 2016, consolidated financial statements. In February 2016, the Secretariat wrote to the Chartered Professional Accountants of Canada's Accounting Oversight Committee and Public Sector Account Board (PSAB) requesting that PSAB standards recognize U.S. GAAP as a basis of reporting by publicly accountable enterprises. PSAB responded in July 2016 that the PSAB standards would not be changed and government business enterprises should continue to prepare their financial statements in accordance with IFRS.

In the 2016/17 fiscal year, the Province changed its accounting policy and began accounting for the consolidation of the financial results of OPG and Hydro One using IFRS, as required by PSAB standards. This change in accounting policy is further detailed in Note 16d of the Province's March 31, 2017, consolidated financial statements.

## Contaminated Sites

### Recommendation 7

*To ensure that the Province's ongoing contaminated sites liability is reasonably and consistently calculated, the Office of the Provincial Controller Division should continue to work with the ministries to ensure that the Public Sector Accounting Board standards continue to be applied effectively in accounting and measuring these liabilities.*

**Status: Fully implemented.**

#### Details

In April 2018, the Office of the Provincial Controller Division (Controller Division) developed and released its Financial Management Policy and Guidelines for Environmental Contamination to support consistency in the recognition, measurement and reporting of environmental liabilities reported in the Province's consolidated financial statements. These documents build on PSAS and provide specific direction to support improved consistency in liability recognition and measurement for accounting purposes. The Controller Division indicated that it will continue to work with ministries to ensure that they apply PSAS effectively in accounting and measuring environmental liabilities.

## Financial Statement Presentation and Disclosure

### Recommendation 8

*To further improve the accountability and transparency of Ontario's Consolidated Financial Statements for users, the Office of the Provincial Controller*



*Division should expand note disclosures in the consolidated financial statements for pensions and revenues.*

**Status: Fully implemented.**

#### Details

In 2016, our Office performed a refresh review of Ontario's disclosures to assess whether further improvements were needed. We used the Province's 2015/16 Consolidated Financial Statements as the basis for our analysis and undertook a jurisdictional review of financial statements of senior governments in Canada to support our analysis. Our review concluded that while the disclosures used to prepare the consolidated financial statements conformed to PSAB standards in almost all cases, there were instances where disclosures could be improved. For example, we found that many provinces have more complete disclosures than Ontario when it comes to reporting pensions. In addition, our jurisdictional review noted that Ontario provided fewer detailed disclosures in the notes to the consolidated financial statements for revenue than other provincial jurisdictions.

In the 2016/17 fiscal year, the Province expanded its explanation of revenue and its policies of when and how to record revenue under its significant accounting policies disclosures in Note 1e to the consolidated financial statements of Ontario. The revised note disclosure now provides information on the Province's different sources of revenue, such as taxation revenues and government transfers, and has provided further disclosure on its tax revenue policies. With respect to pension information, the Province also expanded its note disclosure by identifying the amount of pension plans with excess obligations over plan assets, and including the market-related value of plan assets in Note 6 to the consolidated financial statements.

## Pension Economic Assumptions

### Recommendation 9

*We recommend that the Treasury Board Secretariat and the Ministry of Finance benchmark and*

*review the 2016/17 pension economic assumptions for reasonableness.*

**Status: Fully implemented.**

#### Details

During our 2016 audit, we engaged an external expert advisor to assist us in reviewing the key economic assumptions used by the Province to determine their pension liabilities and expenses. While we were generally satisfied that the Province's economic assumptions were reasonable, we noted that in the 2015/16 fiscal year, the discount rates were edging toward the high-end of a reasonable range.

In the 2016/17 fiscal year, the Ministry of Finance (Ministry) performed a thorough review of its key economic assumptions for reasonableness and provided us with its analysis during the course of our audit. The analysis included a comparison to the key economic assumptions used by the pension plans in their own financial statements, which were relatively consistent with those used by the Province.

While the Ministry found that the discount rates used were within a reasonable range of long-term expectations, future returns were expected to be lower than in recent years. As a result, the Ministry recommended that the discount rate for the Ontario Public Service Employees Union Pension Plan be lowered by 50 basis points over two years (35 basis points and 15 basis points in 2016/17 and 2017/18 respectively), and 25 basis points for all other pension plans with the exception of the Healthcare of Ontario Pension Plan. The discount rate for that pension plan remains unchanged at 5.75% in the Province's March 31, 2017, consolidated financial statements.

## Reporting under Fiscal Transparency and Accountability Act

### Recommendation 10

*To ensure compliance with financial disclosure requirements under the Fiscal Transparency and*

Accountability Act, 2004, *the Ministry of Finance should work with the Minister of Finance's office to ensure that:*

- *the Third Quarter Finances report is prepared and publicly released on a timely basis;*
- *when there are delays in issuing Ontario's Long-Term Report on the Economy and a letter is tabled to that effect, the letter includes the reasons for the delay;*
- *delayed information is tabled as soon as it is available.*

**Status: Fully implemented.**

#### Details

In our *2016 Annual Report*, we reported that the last release of the Third Quarter Finances by the legislated deadline was on January 22, 2013, relating to the 2012/13 fiscal year, as required by the *Fiscal Transparency and Accountability Act, 2004 (Act)*. Furthermore, the Minister of Finance (Minister) did not release the Province's Third Quarter Finances for the 2013/14, 2014/15, and 2015/16 fiscal years, but instead—as permitted under the Act—notified the Legislative Assembly that the Third Quarter Finances would be included in the annual budgets.

In addition, at the time of our audit, we noted that the Minister released Ontario's Long-Term

Report on the Economy after the legislated deadline in 2009 and 2013. Similarly, in 2016, the Minister once again missed the legislated deadline to release Ontario's Long-Term Report on the Economy. Instead, the Minister issued a statement to the Legislative Assembly saying the report would be delayed until later in the fiscal year, but did not explain why the information—a requirement under the Act—was being released late.

At the time of our follow-up, the Minister once again failed to release the Province's Third Quarter Finances by the legislated deadline for the 2016/17 fiscal year, but—as required by the Act—provided an explanation in his statement to the Legislative Assembly. The Province's Third Quarter Finances for the 2016/17 fiscal year were released on February 21, 2017—six days after the legislated deadline. For the 2017/18 fiscal year, the Minister released the Province's Third Quarter Finances by the legislated deadline of February 15, 2018.

The Minister released Ontario's Long-Term Report on the Economy—originally due June 12, 2016—on February 8, 2018. The next long-range assessment of Ontario's economic and fiscal environment is due June 7, 2020—two years after the most recent provincial election.