News Release

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Ontario Needs to Better Prioritize Infrastructure Investments: Auditor General

(TORONTO) Ontario plans to spend more than \$120 billion on infrastructure over the coming decade, but it needs to better identify, measure and prioritize its infrastructure investments to better inform where spending should be directed, Auditor General Bonnie Lysyk says in her 2015 Annual Report.

"The province needs to get a better handle on the condition of Ontario infrastructure to help it identify the most pressing overall provincial priorities," Lysyk said following tabling of the Report.

The replacement value of the portfolio of public infrastructure in Ontario is close to \$500 billion, and includes highways, bridges, transit systems, schools, universities and government buildings. The Ontario government oversees about 40% of these assets.

However, much of the infrastructure overseen by the province is older and will need major investments to keep it in acceptable condition. The average Ontario school, for example, is 38 years old, while the average hospital is 45 years old.

The Ministry of Education estimated that it needs \$1.4 billion a year to maintain schools in a state of good repair, based on industry averages. However, actual annual maintenance funding over the last five years has ranged from \$150 million to \$500 million.

Just as investment is needed to maintain and improve existing assets, significant investment is also needed to build new assets. For example, there are currently over 100,000 Ontario students in temporary accommodations (portables), and about 10% of schools are operating at over 120% capacity in the province. About \$2.6 billion worth of projects are submitted to the Ministry of Education by school boards for funding consideration every year. However, over the last five years, the Ministry has approved only about a third of the projects every year.

The government generally allocates infrastructure funding to each ministry on a stand-alone historical basis with little comparison at an overall provincial level to ensure the most pressing needs are given top priority for funding.

Following are some of the Report's other significant findings:

- There are no guidelines for the desired condition at which facilities should be maintained, and there is no consistency among ministries on how to measure the condition of assets under their stewardship.
- Although the government plans to devote two-thirds of its infrastructure spending in the next 10 years to new construction and one-third to repairs and maintenance of existing properties, its own analysis of ministry information shows those proportions should be reversed.

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For more information and to view the full report, please visit www.auditor.on.ca

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