



News Release

For Immediate Release

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Delay in Pandemic Pay for Essential Workers; Inconsistent and Late Reporting of Actual Spending on Initial COVID-19 Emergency Relief Programs: Auditor General

(TORONTO) Most of the province's early health-related COVID-19 expenditures were properly authorized by Treasury Board, but better processes to track, monitor and report on the proper use of funds and the timely distribution of payments were needed for mainly Ministry of Health initiatives, Ontario Auditor General Bonnie Lysyk states in her latest chapter of the Special Report on COVID-19 Preparedness and Management, released today.

Chapter 4 on the *Management of Health-Related COVID-19 Expenditures* examines the authorization, tracking, monitoring and reporting for various provincial initiatives in the earliest stages of the pandemic.

"The funding for government health-related initiatives designed to alleviate the negative impacts of COVID-19 was, in some instances, delayed getting to the people and organizations that needed it," Lysyk noted. "Further, the reporting to cabinet-level decision-makers did not provide sufficient information about actual spending on each health-related initiative."

The report noted that many essential workers, including those in long-term care homes and retirement homes, saw pandemic pay delays of two months or more following the announcement of the program in April 2020, and ministries did not track or obtain confirmation from employers that the funds had been paid to eligible employees.

As well, reporting on these initiatives to decision-makers from the ministries of Health, and Long-Term Care combined amounts spent and amounts committed, making it difficult for decision-makers to track the progress of these initiatives. These ministries did not have effective systems in place to track and report actual spending on COVID-19 by individual initiative.

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Read the report at www.auditor.on.ca

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Background and Other Findings:

Chapter 4 looks at the management of 26 COVID-19 initiatives committed to in the early stages of the pandemic. The province authorized \$4.4 billion for these initiatives from March 16, 2020 to June 30, 2020. Findings include:

- About \$1.3 billion, or 30% of the \$4.4 billion in authorized funding, was flowed by June 30, 2020 for the 26 health-related initiatives reviewed.
- By December 31, 2020, the ministries reported that \$6.8 billion was authorized for these initiatives and \$4.4 billion, or 64%, was spent.
- Treasury Board/Management Board of Cabinet (TB/MBC), a Committee of Cabinet, did not always receive clear or timely information for decision-making. For seven of the initiatives – five Ministry of Health and two Ministry of Long-Term Care – the status of the initiative was not reported to TB/MBC by the required date. This is similar to our 2020 report on *Business Case Development in the Ontario Public Service*, which found ministries' report-backs to TB/MBC were often late and did not always contain required information.
- Of the 26 initiatives highlighted in this report, 17 did not have strong processes in place to ensure and document the proper use of funds and/or the timely distribution of those funds. Three of the five ministries reviewed were responsible: 13 initiatives at the Ministry of Health, three at the Ministry of Long-Term Care and one at the Ministry for Seniors and Accessibility.
- Five of the 26 initiatives lacked robust controls to prevent payments to ineligible recipients. For example, the ministries of Health, Long-Term Care, and Seniors and Accessibility relied on summaries reported by hospitals, long-term-care homes and retirement homes to flow pandemic pay funding, and had no plans in place to verify if amounts reported were accurate or whether eligible front-line workers were paid.
- The Ministry of Health did not communicate to Public Health Ontario until July 13, 2020 and to the 34 public health units until August 21, 2020, about what types of costs would be eligible for reimbursement from the province for monitoring, detecting and containing COVID-19.
- In most instances, the province had sufficient authorizations and proper approvals in place for the initiatives we reviewed.
- **Chapters 1, 2 and 3** of the COVID-19 special report were released on November 25, 2020. **Chapter 5** was released on April 28, 2021 and Chapter 6 on Personal Protective Equipment will be released later this year.