

2014 Teddy Waste Award Nominee Background Information

Federal Nominees

- Mad Men: Parliament Hill Edition (Winner)

Page | 1 Employment and Social Development Canada (ESDC) Nominated for: Worst advertising for a program that doesn't exist yet Production Cost: \$2.5 million

This summer, the Parliament Hill blockbuster that you already thought was here, still isn't. ESDC's Canada Job Grant (CJG) might be a bold new program to boost employment, but not nearly so bold as the advertising campaign to promote it. That is because the CJG doesn't yet actually exist.

The CJG has been tied up in negotiations with provincial governments since it was first announced. The federal government didn't bother to wait for the program to actually exist first however, and went ahead and <u>dropped \$2.5 million on an advertising blitz</u> to tell Canadians just how excellent their non-job creating non-program job-creation program was.

The advertising industry's self-regulating <u>Advertising Standards Canada ruled</u> that just as a business cannot advertise a product that doesn't actually exist; neither can government advertise a program that doesn't exist.

Links:

http://www.citynews.ca/2014/01/14/feds-tv-ads-promote-non-existent-job-grant-program-report/ http://www.cbc.ca/news/politics/canada-job-grant-ads-cost-2-5m-for-non-existent-program-1.2495196

Canadian Bacon (Nominee)

Agriculture and Agri-Food Canada (AAFC) Nominated for: Worst food-aid program in world history Production Cost: \$50,000

The <u>AAFC funded a food truck to the tune of \$50,000 a year</u> to dole out 150 servings each day of poutine, back bacon and other "canadianese," maple-flavored foods - for free (although a donation is requested) in Mexico. But these Canadian delicacies aren't being given to needy children in Mexico's poor, rural areas, but rather, upper-class citizens in Polanco, a posh Mexico City neighbourhood.

Links:

http://www.thestar.com/news/world/2013/04/26/salad poutine blueberries canadian food truck a hit in mexico city.html



Parks and Recreation (Nominee)

Canada School of Public Service (CSPS) Nominated for: Most hypocritically corrupt branch of government Production Cost: \$1.7 million

Page | 2 The CSPS exists to "foster a common sense of purpose, values and traditions in the public service," but it seems a few esteemed public servants didn't get the internal memo. While the CSPS might laud itself as the hallowed sanctum of ethical government behavior for bureaucrats, the federal government's procurement ombudsman <u>found</u> evidence of \$1.7 million in manipulated and potentially corrupt contracts at the school.

The investigation found evidence that these contracts were awarded to six consultants between 2008 and 2011 with evidence of "contract splitting, unfair evaluations and dubious contracts amendments – all without triggering the school's supposed checks and balances."

Links:

http://www.theglobeandmail.com/news/politics/federal-contracting-watchdog-digs-deeper-finds-more-cooked-deals/article9691988/

The Wolf of Wellington Street (Nominee)

Canada Revenue Agency (CRA) Nominated for: Most expensive failure to date-stamp ever Production Cost: \$4.6 million

Most taxpayers think of the CRA as a merciless wolf who will meticulously hunt them to the ends of the earth to get every last penny owing from them.

The CRA's ruthless reputation was hurt this year, when it lost a \$4.6 million tax court case against an oil company because it could not produce a simple date stamp as evidence that it had mailed an assessment.

That's all folks.

No, seriously. That's all. They lost \$4.6 million in allegedly unpaid taxes because they didn't date stamp a letter.

Source: Korski, Tom. Blacklock's Reporter. November 29, 2013: <u>http://www.blacklocks.ca/tax-dept-trips-over-date-stamp/</u>



The Spendavengers (Nominee)

Department of National Defence (DND)Page | 3Production Cost: \$14,000

It's a bird! It's a plane! No. It's Superwaste!

No one was defending taxpayers when the Department of National Defence signed off on a <u>\$14,000 grant to study what powers Canadians thought superheroes have</u>. The study asked participants important questions, such as if they thought superheroes could "leap over skyscrapers," "fly through air," "see through walls," "become invisible" and "walk through walls."

A more pertinent question would be if this makes taxpayers want to bang their heads against walls.

The DND funded the study for what appears to be propaganda purposes, to "win hearts and minds" of local populations it faces when deployed overseas.

According to the DND, "The Canadian Armed Forces needs to be able to inform and reassure local population... This cannot be done without understanding people's psychological meaning space, i.e., how people perceive, understand and remember various messages."

Rather than show up with a column of Leopard II battle tanks to impress "local populations," is DND considering sending a chiseled man in blue tights and a red cape?

Links:

http://www.winnipegfreepress.com/canada/national-defence-spent-14000-on-poll-about-superheroes-abilities-237518351.html



Provincial Nominees

Ender's Game (Winner)

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> Every game must come to an end, but Ian Troop's ended before the Pan Am Games even started. The games are a financial fiasco of interstellar proportions, at <u>\$1.1 billion</u> <u>over budget</u>. The problem is Troop and the government <u>forgot to budget</u> for transportation, security, or the Athlete's Village, at a cost of \$700 million. Adding insult to injury, Troop gained well-deserved notoriety for his expense account, all the while collecting as much as \$552,065 per year in salary. While Trop <u>racked up huge expenses</u> like an \$8,500 hotel party in Mexico, no expense was too small to stick to taxpayers, like \$0.91 for parking.

> In the end, Troop lost his job for incompetence and his expense claims, but was still given an Olympic-sized severance of over half a million dollars. With another 16 months to go before the games officially start, taxpayers have already seen more gold stolen away than the Canadian ice dancers in Sochi.

Links:

http://www.thestar.com/news/gta/panamgames/2013/12/13/pan am games a calculated scramble to toronto 2015.html http://www.torontosun.com/2013/09/28/mounting-expenses-for-toronto-pan-am-games-executives

The Magic Bus (Nominee)

B.C. Transit Nominated for: Fastest way to waste money on vehicles that don't move Production Cost: \$89.5 million

The road to hydrogen is paved with good intentions. In 2010, B.C. Transit, Whistler and the federal government <u>forked out \$89.5 million</u> for a hydrogen-fueled 20-bus fleet. The price was pretty steep, because the hydro-buses cost four-times what real buses do. It was an attempt to subsidize non-oil based fuels into economic viability.

For all its attempts to defy the laws of economics – and science – the entire bus fleet is set to be thrown into the scrap heap after just five years on the job. Even though the buses require massive subsidies, and their hydrogen fuel has to be trucked in from Quebec (emitting quite a bit of CO2 along the way), they just don't work properly in the cold Whistler alpine climate. Unionized drivers who operate the buses complain regularly that the water tanks, well, freeze. When it's warm enough for the buses to actually run, maintenance costs are three-times that of diesel buses.

Links:

http://fullcomment.nationalpost.com/2013/11/27/brian-hutchinson-whistlers-hydrogen-bus-boondoggle/



Fear of Loathing in South Africa (Nominee)

Premier Alison Redford (Alberta) Nominated for: Best road trip on the taxpayers' dime Production Cost: \$45,0000

Page 5 Alberta's first class premier soared to new highs of expense extravagance this year as she billed Alberta for junkets around the world. Premier Redford got off to a good start in 2013 when <u>CTF research revealed</u> that she had stuck taxpayers with the bill for two \$876 a night stays at a posh hotel in Washington, DC, \$7,875 for a short haul flight to Chicago and \$6,092 to New Brunswick.

But the credit card happy premier didn't stop there, billing Alberta \$45,000 so that she and her executive assistant could travel with ease. You see, Premier Redford claimed that she had no choice but to charter the government's private jet from Alberta to Ottawa to catch Prime Minister Harper's free flight to South Africa, at a cost of \$15,000. There were only red-eye flights available. <u>But, that just wasn't true</u>. A quick phone call to Air Canada found several flights were available at that time, which flew with empty seats. The most expensive executive class ticket for these flights was \$2,282.

And the carnage of wasted cash continued on the way home. Redford didn't want to wait for the prime minister's plane to return to Canada, and so last minute <u>bought two</u> <u>\$10,000 executive class tickets</u> for her and her assistant, to save a few hours.

Meanwhile, Nova Scotia premier Stephen McNeil took the same trip to South Africa for under \$1,000.

Links:

http://taxpayer.com/news-releases/ctf-releases-2013--naughty-%26-nice--list http://www.calgaryherald.com/news/politics/Premier+Redford+travel+bill+Mandela+funeral+soars/9460608/story.html http://www.calgarysun.com/2014/02/06/wildrose-claims-cheaper-flights-to-ottawa-were-available-premier-alison-redford-saysher-office-didnt-know

My Big Fat Red River Wedding (Nominee)

Red River College (Manitoba) Nominated for: Best party the host didn't have to pay for Production Cost: Unknown

Tradition has it that the bride's family kicks in for wedding costs, but in Manitoba, Mr. and Mrs. Taxpayers do as well.

Although the Red River College (RRC) refused to provide the information and cost through a Freedom of Information Request, CTF Prairie Director Colin Craig managed to pry confirmation out of the institution confirming that – in fact – taxpayers footed the cost of some bills for a reception with "numerous wedding guests" the night before the wedding.



The college later claimed the event was held to "forge strategic relationships" with another government-funded post-secondary institution. Thankfully, while the cost has been kept hidden, the two-year old bills were repaid after the CTF exposed the issue.

Links:

Page | 6 http://www.taxpayer.com/news-releases/how-much-did-red-river-college-pay-for-a-pre-wedding-reception-

Inglorious Wastrels (Nominee)

Hydro-Quebec (HQ) Nominated for: Giving up at work without a fight Production Cost: \$1.92 million (approximately)

Many of those standing up to corruption in Quebec seem to give up without much of a fight. <u>Quebec's corruption inquiry found</u> that Hydro Quebec paid crane operators represented by the powerful FTQ-Construction union to play cards, watch television, sleep in trailers, or even stay at home between 2005 and 2007.

You see, they weren't technically capable of operating the highly technical cranes, and German workers had to be brought in to do the job for them. The corruption inquiry found that work got off to a slow start as the Quebec union resisted having the Germans do their work for them. The Quebec workers resorted to vandalism and "imaginative" tactics to slow the work until a deal was struck with the Quebec Federation of Labour.

The deal saw the German crane operators actually operate the cranes, with two Quebec unionized "observers" per crane paid for two 12-hour shifts, 24 hours a day, including weekends. According to the inquiry, the unionized "observers" weren't allowed anywhere near the crane, but under the agreement, were paid between \$82,000 and \$92,000 a year.

Even though they weren't actually at the job site in many cases, they still <u>managed to</u> <u>get paid double time</u> on weekends. And it gets better. Workers even got paid an hour and a half for travel time each day, even though in many cases, they didn't actually go to work (where they would sleep). The inquiry also heard that contractors would also submit extra sums of between \$15,000 and \$50,000 in the form of false invoices, which went to union representatives.

Links:

<u>http://www.theglobeandmail.com/news/national/hydro-quebec-paid-crane-operators-not-to-work-corruption-inquiry-told/article16775852/</u> http://www.montrealgazette.com/business/Hydro+Québec+paid+crane+workers+Charbonneau+inquiry+told/9490022/story.html



Road Trip (Nominee)

Former Minister of Transportation Maurice Smith (Nova Scotia) Nominated for: Worst delivery on a promise expected to fail Production Cost: Double the budget, half work

Page | 7 Double the labour costs, half the work. That's what Nova Scotia's road repair bureaucracy delivered for taxpayers and drivers since the government decided to jump into the road paving business.

> <u>According to FOI documents</u> released by CTF Atlantic Director, Kevin Lacey, government road crews cost taxpayers \$7,371.97 per kilometer of completed work in salaries, benefits, overtime and expenses. Thing is, the government budgeted just \$3,666.59 per kilometer of work when it sold the idea to taxpayers in 2012. That's two and a half times the budgeted cost.

> The documents show the government colluding with the Canadian Union of Public Employees (CUPE) before the road maintenance agency was even created. The resulting flexible budget of the agency has seemingly profited CUPE greatly, with the lowest-paid person on the payroll (traffic flag controller) paid \$275 a day in wages and benefits.

It wasn't just that costs were two and a half times what the government promised taxpayers in its business plan, but that the government operations <u>only hit 61 per cent</u> <u>of its paving targets and 47 per cent for chip seal</u>. In short, taxpayers paid two and a half times the promised cost for half the work the government promised to do.

Links:

http://www.taxpayer.com/blog/documents-obtained-by-ctf-cast-doubt-on-government-owned-paving http://www.taxpayer.com/news-releases/government-s-highway-crews-cost-double-the-amount-budgeted-to-do-half-the-work



Municipal Nominees

Translinkformers (Winner)

Page | 8 Page | 8 Production Cost: \$4.5 million

After flaking out as a mere nominee last year, TransLink finally made it for the big win in 2014. TransLink's latest stroke of brilliance was to spend a cool \$4.5 million on a new park-and-ride lot in South Surrey and charge commuters \$2 per stay.

It was an interesting idea, except that nobody actually uses it. When the <u>CBC showed up</u> to take a look at the parking lot on a weekday during business hours, they found just one – one – car parked in the \$4.5 million lot. When interviewed, the commuter said that he parked there because there was no chance of his car getting scratched – ostensibly, because there were no other cars in sight.

Many commuters who used the old free lot are now parking on side streets to side step the \$2 daily fee. If TransLink had half the fiscal sense of these commuters, it could have saved taxpayers \$4.5 million.

Links:

http://www.cbc.ca/news/canada/british-columbia/translink-s-new-4-5m-surrey-park-and-ride-lot-empty-1.2497799

Property Swap – Sorta (Nominee)

City of Winnipeg Nominated for: Building a fire station on property the city doesn't own Production Cost: Ask the Expropriators

It takes a special kind of talent to decide to build a fire hall on someone else's land; the kind of skillset found in abundance at the City of Winnipeg. <u>A scathing audit slammed</u> <u>the city</u>, for building a fire hall on a developer's land without first securing the land. While bureaucrats had cobbled together a land swap deal they didn't secure city council's authorization first.

Now, the fire hall sits on land owned by a private property developer, and taxpayers are facing an undetermined expropriation bill.

Links: http://www.cbc.ca/news/canada/manitoba/shindico-shown-favouritism-fire-hall-report-shows-1.2126593



The Queen of Brampton (Nominee)

Mayor Susan Fennell (Brampton) Nominated for: Best effort at self-promotion with tax dollars Production Cost: \$186,000

Page | 9 The Queen of Brampton has made a splash as a newcomer to the Teddies. Between 2010 and 2013, she <u>racked up \$186,000</u> in expenses, ranging from the questionable to the laughable.

Her expenses are numerous:

- \$2,162 for personalized barbecue aprons;
- \$1,500 for ten orchestra tickets;
- \$14,502 to sponsor her own (self-promoting) luncheon;
- \$1,326 for Mandarin language classes;
- \$531 stay at a downtown Toronto hotel (about 30 minutes from Brampton) while taking Mandarin classes;
- \$1,000 for VIP gala tickets for Brampton Multicultural Community
- \$5,596 for self-promoting Mayor's Youth Concert
- \$2,544 for self-promoting Mayor's Levee;
- \$3,191 for seat upgrade for trip to India.

In fact, Fennel expensed \$57,920 in 2012 while her neighbor Rob Ford expensed just \$19,253, mostly for office expenses and mileage.

At \$186,000, Fennell is already the <u>highest paid mayor in Canada</u>, so she naturally wants to keep her job, at any expense to taxpayers. To do so, she generously "donated" \$130,000 to community groups in her name.

Links:

http://www.thestar.com/news/gta/2013/11/12/brampton mayor susan fennell racks up 186000 in expenses.html http://media.zuza.com/d/f/dfdb6af7-51ef-48cc-b7e4-95b9ff356e53/Mayor Fennel A.pdf



Les Miserables (Nominee)

City of Calgary/Calgary Housing Company Nominated for: Most generous subsidies to the wealthy and un-needy Production Cost: Unknown

Page | 10 This nomination is a classic tale of taxpayers reaching out to fulfill their social responsibly to help the wealthy who are in need of a few more bucks to help them afford that winter condo in Arizona.

The Calgary Housing Company has taken it upon itself to <u>help homeless wealthy and</u> <u>middle-class Calgarians</u> find cheap, taxpayer-subsidized housing so that they can spend their money on more pressing needs.

CTF Alberta Director, Derek Fildebrandt used <u>Freedom of Information requests</u> to expose 18 tenants making between \$120,000 and \$172,000, 47 tenants making between \$100,000 and \$172,000, 123 tenants making between \$80,000 and \$172,000, and 1,208 tenants making between \$50,000 and \$172,000.

While the CHC claims to have known about the problem for two years, <u>Calgary Mayor</u> <u>Naheed Nenshi defended</u> housing wealthy and middle-class tenants in government housing.

Links:

https://www.taxpayer.com/media/Calgary%20Housing%20Company%20Backgrounder.pdf https://www.taxpayer.com/news-releases/ctf-exposes-the--not-so-poor--living-in-calgary-subsidized-housing http://www.sunnewsnetwork.ca/sunnews/politics/archives/2013/06/20130611-190817.html

Bixi Chicks (Nominee)

Cities of Toronto, Vancouver, Ottawa, Montreal Nominated for: Most predictable way of losing money Production Cost: \$114.4 million

Taxpayers in big cities across Canada are getting shot down by Bixi's bicycle gang of corporate welfare gangsters. The bicycle sharing program may have sounded nice on paper once upon a time, but the bottom line has proven that this unsustainable business model is a license to raid taxpayers' wallets.

In Bixi's founding city, Montreal, the company put a gun to the head of taxpayers and <u>demanded a \$37 million loan and a \$71 million loan guarantee</u>, or else it would pull every bike from the city. The city's politicians caved in and handed over the \$108 million bailout package: \$67 for every man woman and child on the island of Montreal.

In Vancouver, municipal politicians have promised <u>\$19 million in taxpayer money</u> over the next decade, but lucked out when Bixi imploded just before they signed the deal.

That won't stop Vancouver's bike brigade, however: <u>they're still pushing hard</u> to find another bike-share group to hand over millions in corporate welfare. Vancouver has already spent thousands on staff time, and <u>\$50,000 on inventing a bike helmet vending machine</u>.

Page | 11 In Toronto, taxpayers first <u>guaranteed a \$4.5 million</u> loan, which was not repaid thanks to Bixi's perpetuating operating deficits, then, in December 2013, the City announced it would take over Bixi in Toronto and pay its outstanding debt. This decision came despite a vote against the bailout by Toronto's transit commission.

Just last month, Bixi's parent company <u>declared bankruptcy</u>, leaving all of these cities holding the bag.

Links:

http://www2.macleans.ca/2011/07/20/trouble-in-bixiland/ http://www.huffingtonpost.ca/jordan-bateman/vancouver-bike-share-taxes b 2088261.html http://www.montrealgazette.com/allies+contest+Bixi+request+extension+creditor+protection/9519969/story.html http://www.huffingtonpost.ca/candice-malcolm/bixi-toronto b 4391060.html



Lifetime Achievement

The Senate of Canada

Nominated for: 147 years of corruption and cronyism Production Cost: \$105 million a year

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Not much more a can be said about the <u>Senate of Canada</u> that hasn't already been said every one of its 147 years of existence. The Senate has proven itself – year in and year out – capable of driving taxpayers to their wits ends with its countless acts of corruption, and incapable of providing a democratically accountable and effective upper chamber.

Senators <u>Duffy</u> (under investigation), <u>Harb</u> (charged), <u>Wallin</u> (under investigation), <u>Brazeau</u> (charged) and <u>Lavigne</u> (recently released from prison) are just the latest examples in a long serious of scandals spanning a century and a half, and involving all political parties with members in the Senate.

Links:

http://sen.parl.gc.ca/senproactivedisclosure/Document/FinancialStatement2012-2013 E.PDF http://news.nationalpost.com/2013/12/24/mike-duffy-claimed-more-than-23000-in-travel-expenses-amid-senate-scandal/ http://www.cbc.ca/news/politics/senate-expenses-patrick-brazeau-mac-harb-charged-by-rcmp-1.2522431 http://www.cbc.ca/news/politics/pamela-wallin-committed-fraud-breach-of-trust-rcmp-allege-1.2325642 http://www.cbc.ca/news/politics/senate-expenses-patrick-brazeau-mac-harb-charged-by-rcmp-1.2522431 http://www.cbc.ca/news/politics/senate-expenses-patrick-brazeau-mac-harb-charged-by-rcmp-1.2522431 http://www.cbc.ca/news/politics/senate-expenses-patrick-brazeau-mac-harb-charged-by-rcmp-1.2522431 http://www.cbc.ca/news/politics/senate-expenses-patrick-brazeau-mac-harb-charged-by-rcmp-1.2522431