

Backgrounder: 2015 Teddy Waste Awards

Federal Nominees

Joe Fontana (Winner)

Nominated For: Worst forged document

Cost: \$3.9 million

On June 13, 2014, former Member of Parliament and former Mayor of London, Joe Fontana was convicted of breach of trust, fraud and uttering forged documents. Fontana altered the contract for his son's wedding reception at the Marconi Club in London and submitted it to the House of Commons for a \$1,700 reimbursement claiming it was actually a function with the finance minister. Based on the fraudulent document, the government accidentally made payment to the Marconi Club, rather than to Fontana, and his scam was detected.

Fontana was a cabinet minister making \$213,500 when he forged the contract, and had been an MP for 17 years. In his reasons for judgment, Justice Bruce Thomas stated "While I am perplexed as to why a man of such accomplishments might choose to take these actions for \$1,700, I do not find that that detracts from the strength of the Crown case. I have long ago abandoned the notion that motive results from a logical cost-benefit analysis."

Fontana's sentence was four months house arrest, 18 months' probation, a \$1,000 victim surcharge and 150 hours of community service. Despite intentionally forging documents to defraud taxpayers, Fontana retains his annual \$122,000 Member of Parliament pension courtesy of taxpayers. He will collect another \$3.9 million if he lives to age 90.

Member of Parliament John Williamson's private members bill "Protecting Taxpayers and Revoking Pensions of Convicted Politicians Act" would revoke the pensions of parliamentarians and senators convicted of crimes like this. Unfortunately the bill isn't retroactive so Fontana gets to keep his pension if it is passed by the Senate this spring.

Link: <http://www.lfpress.com/2015/02/02/pension-repealing-bill-wont-be-retroactive>
<http://www.lfpress.com/2014/06/12/judgment-day-for-joe>
<http://www.scribd.com/doc/229551154/Reasons-for-Judgment-Fontana-trial>
<http://www.edmontonsun.com/2014/07/15/joe-fontana-to-be-sentenced-for-fraud>
<http://www.parl.gc.ca/LegisInfo/BillDetails.aspx?Language=E&Mode=1&Bill=C518&Parl=41&Ses=2>

Public Works and Government Services Canada (Nominee)

Nominated For: Worst bulldozer sale and repurchase

Cost: \$65,000

In 2004, protestors on the Kanesatake reserve in Quebec attacked the local police station, using a bulldozer to block the entrance. With the help of men with baseball bats, protesters prevented 60 reserve officers from leaving the police station.

In 2009, during drug raids on the reserve, police seized the bulldozer. The courts ordered it destroyed, but rather than destroy the bulldozer, Public Works sold it for \$5,555.

The original owners found out about the sale and sued the government to recover the bulldozer. The lawsuit failed, but realizing its mistake Public Works needed to get the bulldozer back. As the new owner had rebuilt it, the government paid \$65,000 to repurchase the bulldozer, only to destroy it.

Links: <http://globalnews.ca/news/1571279/government-accidentally-sold-a-bulldozer-for-5555-then-paid-65000-to-get-it-back/>

http://www.huffingtonpost.ca/2014/09/19/ottawa-bulldozer_n_5850728.html

<https://www.gcsurplus.ca/mn-eng.cfm?snc=wfsav&sc=ach-shop&vndslid=1&so=ASC&sf=aff-post&lc=&str=1&sr=1<nf=1&lcn=183865&lct=L>

<http://www.cbc.ca/news/canada/defiant-kanesatake-chief-accuses-protesters-of-trying-to-kill-him-1.515303>

Business Development Bank of Canada (Nominee)

Nominated For: Funding a drug front

Cost: \$550,000

In 2001, federal crown corporation, the BDC provided a \$550,000 loan to All Seasons Garden Supply of Mississauga, Ontario. The owner, Tan Tien Nguyen, had limited experience with indoor gardening but with the help of the government loan he started an indoor gardening and hydroponics business.

The business fell under police surveillance, which observed weeds growing near the entrance, and paint peeling off the building. Oddly, no live plants were for sale in the “gardening centre,” but you could buy electrical wiring and HVAC ductwork. Shipments were secretively carried out of the store in black garbage bags, and trucks would park right in front of the entrance to block an outsider's view.

Tan Tien Nguyen was arrested in 2009 and convicted of conspiracy to produce and traffic marijuana. The suspicious shipments were traced to marijuana grow-ops, where \$14.6 million worth of narcotics was found. When police searched Nguyen’s luxury home they found six

bottles of liquor worth \$2,400 each, three Rolex watches, a \$43,000 diamond ring and a Sea Doo.

Links: <http://www.blacklocks.ca/feds-finance-pot-grower/>
<http://www.mississauga.com/news-story/3132390-garden-supply-store-owner-facing-jail-time/>
http://www.thestar.com/news/crime/2009/10/07/two_gta_men_arrested_in_127m_drug_bust.html

David Langtry (Nominee)

Nominated For: The most expensive commute in Canada

Cost: \$1 million

David Langtry is the acting Chief Commissioner of the Human Rights Commission. The commission's offices are in Ottawa, but Langtry lives in Winnipeg. He commutes from Winnipeg to Ottawa and the taxpayers pick up the bill for his flights, hotels, taxis, and meals. Langtry flew to other destinations but 80 per cent of his 264 flights were between Ottawa and Winnipeg. These expenses are on top of his salary, which is listed as between \$228,400 and \$268,700 per year.

Since 2006 Langtry has racked up expenses of nearly \$760,000. The CTF estimates that if his expense trend continues through to the end of his appointment in 2017, taxpayers will be on the hook for an additional \$274,000 in flights, hotels, taxis, meals and incidental expenses.

Links: <http://www.taxpayer.com/news-releases/canada-s-frequent-flyer-commissioner-20818>
<http://www.ccdp-chrc.gc.ca/eng/content/travel-and-hospitality-expenses-chief-commissioner-2014>

Library and Archives Canada (Nominee)

Nominated For: Having no digital archival system in 2015

Cost: \$15.4 million

In 2006, Library and Archives Canada received approval to begin developing a "trusted digital repository" in order to receive records in a digital format, which was projected to become the "format of choice" by 2017. In 2014 the Auditor General observed that between 2006 and 2011, "Library and Archives Canada spent \$15.4 million over four years on the repository, [and] it never used it, even though the system had been tested, approved, and deemed operational in July 2011. The [unused] trusted digital repository was shut down in November 2012 without documentation from management on the rationale for the decision."

The Auditor General also found that "even though Library and Archives Canada has stated that digital records will represent its format of choice by 2017, it could not provide us with a

strategy for managing either the transfers of digital archival records from institutions or the expected increase in digital information that it must preserve and make accessible,” and that it “still needs a system to receive records in a digital format. In 2014, it proposed the creation of a digital transformation program but at the time of the audit, the program was only in the early planning stages.”

In sum: eight years and \$15.4 million dollars later, Library and Archives Canada built and launched a digital repository, scrapped it, and have now started from scratch, despite having no new strategy to speak of. But they’re working on it.

Links: http://www.oag-bvg.gc.ca/internet/English/parl_oag_201411_07_e_39965.html
http://www.thestar.com/news/canada/2014/11/25/federal_library_struggling_with_backlog_key_records_poorly_filed_auditors_find.html
<http://www.cbc.ca/news/politics/auditor-general-s-fall-2014-report-15m-library-and-archives-canada-system-never-used-1.2849260>

Provincial Nominees

Ministry of Energy, Government of Ontario (Winner)

Nominated for: Smart Meters That Don't Work

Cost: \$1.9 Billion

Under a 2004 plan developed by the Ministry of Energy to reduce energy consumption, Ontario's electricity distributors have installed 4.8 million smart meters across the province. But Ontario's Auditor General revealed that the cost of installing these smart meters had reached \$1.9 billion – nearly twice the original estimated cost, with still more costs expected. The meters charge more for electricity during peak hours and less for off-peak hours, the idea being that by shifting when the times when electricity is consumed the province can build less new power generation capacity.

In addition to being over budget, the new smart meters also seem to be causing fires. Ontario's Fire marshal linked 23 fire incidents to smart meters. (Smart meters have also been causing fires in Saskatchewan, and they were forced to remove more than 100,000 of them.) Ontario is only removing 5,400 smart meters so far.

Worst of all, the smart meters haven't worked (sometimes literally: 812,000, or about 1/6 of all smart meters, have never transmitted to the provincial data centre at all): power use hasn't dropped during peak periods; it has actually increased slightly. The Auditor General noted that "projected net benefits of at approximately \$600 million over 15 years were significantly overstated by at least \$512 million." Add in the massive cost overrun, and taxpayers are still out nearly a billion dollars for a project that by any empirical measure has been a complete flop.

Link: http://www.auditor.on.ca/en/reports_en/en14/311en14.pdf

<http://www.cbc.ca/news/canada/toronto/smart-meter-installation-cost-ontario-nearly-double-original-projection-ag-1.2866207>

<http://www.thestar.com/news/queenspark/2015/01/22/thousands-of-smart-meters-in-ontario-to-be-removed-over-safety-worries.html>

<http://www.cbc.ca/news/canada/toronto/fear-of-fire-hazard-causes-removal-of-thousands-of-smart-meters-1.2928314>

http://www.thestar.com/news/canada/2014/08/08/smart_meters_linked_to_13_fires_in_ontario_fire_marshall_says.html

Former Alberta Premier Alison Redford (Nominee)

Nominated For: The Skypalace

Cost: \$173,000

The historic Federal Building in Edmonton is nearly done its multi-year renovation; however it was discovered last year former Premier Alison Redford demanded renovations to the penthouse to create a “skypalace.” The plans were very specific including “sleeping and grooming quarters with clothing storage for an adult and one teenager (separate is preferable).” It also included a fireplace, a private elevator and was to be modeled after rooms at the very expensive Hay-Adams hotel in Washington, DC.

CBC obtained documents via FOIP that suggest constructing the skypalace “would have potentially cost several hundred thousand dollars, if not millions.” Just creating the plans cost taxpayers \$173,000.

Furthermore, in order to cut costs on the already over-budget \$375-million renovation, the government has cancelled plans for a \$1 million outdoor skating rink. However, the dressing rooms and Zamboni storage shed are already built at a cost of \$832,000. Fortunately, the purchase of the Zamboni was halted.

Link: <http://www.cbc.ca/news/canada/edmonton/alison-redford-ordered-penthouse-suite-in-federal-building-1.2589713>

<https://www.documentcloud.org/documents/1098155-11th-floor-plans-two-bedrooms.html>

<http://www.cbc.ca/news/canada/edmonton/alison-redford-s-planned-penthouse-could-have-cost-millions-1.2793837>

<https://www.scribd.com/doc/242421400/Skypalace-upgrades-total-over-2-million-FOIP>

<http://www.edmontonjournal.com/Zamboni+garage+minus+Zamboni+cost+province/10729901/story.html>

BC Superintendent of Achievement Rick Davis (Nominee)

Nominated For: Funding a \$1,360 Per Page Report by a 17-year-old DJ

Cost: \$19,075

In 2013, Rick Davis met a 17-year-old high school graduate at a wedding. She was the DJ and when she met Davis they “instantly hit it off.” After chatting about her interest in going to Finland to study its school system Davis managed to secure funding for her. Getting approval for a sole-source contract for a 17 year-old to write a report that includes an overseas adventure can be difficult, but Davis managed to get \$16,000 in funding from her former school district and the Teacher Regulation Branch.

The report was 14 pages long, which works out to \$1,360 per page. For that steep price the province got a report containing basic spelling errors, no bibliography and no new insights.

Link: <http://news.nationalpost.com/2014/05/06/b-c-s-superintendent-of-achievement-under-fire-for-commissioning-education-report-from-19-year-old-he-met-at-wedding/>
<http://news.nationalpost.com/2014/05/08/b-c-s-superintendent-of-achievement-cleared-of-wrongdoing-for-commissioning-19k-report-from-teen/>
<http://www.documentcloud.org/documents/1155279-teacher-preparation-a-comparison-between-british.html>
<http://www.documentcloud.org/documents/1155308-documents-relating-to-vyas-case.html>
<http://www.taxpayer.com/blog/bc--why-did-a-19-year-old-dj-get--16,000-to-study-the-finnish-education-system->

Stephanie Forsyth, Former President of Red River College (Nominee)

Nominated For: Taking marble from the school and installing it in her home

Cost: unknown

Former President of Red River College in Winnipeg, Stephanie Forsyth is back as a nominee once again. This time it was because marble from a Red River College building somehow ended up getting installed in the kitchen in her home.

The CTF obtained emails from Red River College relating to the missing marble. Here are some excerpts:

“Marble from the PGI construction exists in Ms. Forsyth’s residence and she has indicated it was material marked for disposal.” – [click here](#)

“Her indication that this was marked for disposal is not verified by a third party.” – [click here](#)

“Remember, her home and photos are on MLS listing with a fair bit of counters and backsplashes visible – with a before and after comparison of the house before and after the renovation on two different listings from different time periods.” – [click here](#)

“I don’t think it matters to the public what policy says. Referencing policy to justify or support a position risks creating the impression the College is hiding behind policy. The simple fact is that marble is in SFs house and a certain quantity came from PGI. Even if it was marked for disposal it shows poor judgment at best, dishonesty at worst.” – [click here](#)

In January the college forwarded the matter to police, saying that it did not “possess the necessary legal tools to adequately conclude the investigation.” A report released around the same time revealed that rules for expenses were weakened under Forsyth. The review also highlighted questionable expenses from Forsyth including “\$2,219 for interviews held on three consecutive evenings at an upscale restaurant.”

Link: <http://www.taxpayer.com/news-releases/red-river-college-loses-its-marble-s->
<http://www.cbc.ca/news/canada/manitoba/red-river-college-ex-president-had-marble-from-school-installed-in-home-1.2814968ol-installed-in-home-1.2814968>
<http://www.winnipegfreepress.com/local/Province--289309351.html>
<http://www.winnipegfreepress.com/local/trip-to-france-pricey-dinners-289406181.html>
<http://www.edu.gov.mb.ca/edu/docs/rrc.pdf>
<http://news.nationalpost.com/2014/05/08/b-c-s-superintendent-of-achievement-cleared-of-wrongdoing-for-commissioning-19k-report-from-teen/>

New Brunswick Liquor Commission (Nominee)

Nominated For: A bad beer business plan

Cost: \$124,210

The New Brunswick Liquor Commission decided to cash in on the popularity of craft beer by installing beer taps in three of its 44 stores. The plan was to get customers to buy a \$10 reusable NB Liquor 1.89-litre growler to fill with beer.

The Commission spent \$124,210 on 40,000 growlers anticipating huge volumes at the three stores, which could only fill growlers from 4pm to 8:30pm on Thursday and Friday and noon to 8:30pm on Saturday.

Unfortunately, many customers didn't want the growlers, because they already had their own. Within a week NB Liquor gave up and allowed customers to bring their own growlers. Now NB Liquor has a huge oversupply of growlers as they only managed to sell 2,718.

Link: <http://www.cbc.ca/news/canada/new-brunswick/nb-liquor-has-sold-a-fraction-of-its-40-000-corporate-growlers-1.2882025>
<http://www.cbc.ca/news/canada/new-brunswick/nb-liquor-s-growler-program-chided-by-2-craft-breweries-1.2883249>
http://www2.gnb.ca/content/gnb/en/news/news_release.2014.10.1173.html

Municipal Nominees

Halifax Regional Municipality Councillor Brad Johns (Winner)

Nominated For: A Talking Christmas Tree

Cost: \$25,000

Halifax Regional Municipality Councillor Brad Johns used his taxpayer-funded councillor discretionary account – normally used to pay for maintenance for common areas and such amenities as parks and playgrounds – to purchase a talking Christmas tree. The cost: \$25,000, or nearly a quarter of his \$94,000 account budget.

Johns was inspired to purchase the tree in order to compete with other Halifax-area Christmas attractions (so look out, downtown Halifax tree lighting and Spryfield Santa Parade!) And it won't stop there: Johns has expressed interest in purchasing further Christmas characters in the future – such as an elf – with the goal of creating “their own Disneyland of sorts” in Lower Sackville.

One area resident expressed shock that in spite of “closing fire stations, roads in need of repair, [and] increased fees for various services” the city had money to spend on an 18-foot robotic tree which talks, sings and dances, while another caller into a Halifax radio show summed it up well by saying “good thing I just finished my breakfast, or I wouldn't be able to eat.”

Link: <http://www.cbc.ca/news/canada/nova-scotia/councillor-brad-johns-spends-25k-on-talking-christmas-tree-1.2867519>

<http://www.news957.com/2014/12/09/talking-christmas-tree-costs-coun-brad-johns-25k/>

<http://www.halifax.ca/councillors/councillor-funds.php>

<http://thechronicleherald.ca/opinion/1167403-lowe-80s-kids-pining-for-woody-the-talking-christmas-tree>

<http://losangeles.cbslocal.com/2014/12/24/ventura-company-makes-singing-christmas-tree-that-has-much-of-the-world-talking/>

<http://bedfordsackvilleobserver.ca/2014/12/15/everyone-has-a-take-on-the-talking-tree/>

Metro Vancouver (Nominee)

For: A Sewage Treatment Plant Conference Centre

Cost: \$9 million

In 2011, the \$9 million Annacis Wastewater Centre opened right next to Metro Vancouver's biggest sewage treatment plant. The Centre has classrooms and research facilities and was supposed to attract scores of researchers. There was, shockingly, less interest than anticipated from researchers and now the facility functions as a rarely-used convention centre, with a \$390,000 annual deficit

Unsurprisingly, there is little interest in holding conventions, conferences or weddings at a convention centre in an industrial area, next to a waste-treatment plant, miles away from the nearest hotel.

As an example of the Centre's unpopularity as a venue, the CTF recently discovered that for the first nine months of 2014 – the last period for which records are publicly available - the Centre hosted just one wedding reception.

Link: <http://www.bclocalnews.com/news/132565828.html>
<http://www.langleytimes.com/news/247922621.html>
<http://ubyssey.ca/news/ubc-wastewater-centre-223/>
<http://globalnews.ca/news/1184404/canadian-taxpayers-federation/>
<http://www.taxpayer.com/media/Annacis%20Research%20Centre%20Bookings.pdf>

City of Ottawa (Nominee)

Nominated For: A tribute to the wrong Jack Purcell

Cost: \$45,000

The City of Ottawa installed light standards in the shape of giant badminton racquets in the Jack Purcell Park to honour Jack Purcell, 1933 world champion badminton player and five time Canadian champion. Unfortunately, that Jack Purcell was from Guelph and isn't who the park was named for. The Ottawa park was named for an Ottawa man named Jack Purcell who fixed broken hockey sticks and gave them to local children, as well as sharpening skates for them in the 1950s.

The original design for the racquets were supposed to have strings, but once they realized they were honouring the wrong Jack Purcell the strings were removed and now the "racquets" are re-interpreted as "stylized trees."

Honouring the wrong Jack Purcell cost \$4,595 per "stylized tree" for a total of over \$45,000.

Link: <http://ottawacitizen.com/news/local-news/ottawa-parks-new-public-art-inspired-by-wrong-jack-purcell>
<http://ottawa.ctvnews.ca/city-honours-the-wrong-jack-purcell-1.1830236>
<http://ottawacitizen.com/news/local-news/ottawa-parks-new-public-art-inspired-by-wrong-jack-purcell>

City of Calgary (Nominee)

Nominated For: Most Dangerous Public Art

Cost: \$559,000

The City of Calgary's public art program installed a sculpture at the Genesis Centre for Community Wellness: the five metre tall interactive steel sphere allowed visitors to send text messages that were supposed to be translated into unique lights and sounds. Unfortunately, it didn't work properly, and the same default sound and lights were always displayed. This broken sculpture cost the City a total of \$559,000.

However, the story gets worse. On a sunny day in January when a visitor was texting a message to the sculpture, the mirrored surface of the sculpture concentrated the sun's rays and burned her jacket. The visitor was uninjured, but to protect other visitors a construction fence was put around the sculpture.

The artist was asked to fix it but was unable to do so, and the sculpture was moved to storage where it would not be a risk to burning anyone (besides taxpayers).

Link: <http://www.calgaryherald.com/news/calgary/Wishing+Well+sculpture+Calgary+Genesis+Centre+removed/10276470/story.html>

<http://www.calgaryherald.com/news/calgary/Woman+burned+public+comes+forward/10282238/story.html>

Susan Fennell, Former Mayor of Brampton (Nominee)

Nominated For: Expensing 44 IQ quizzes

Cost: \$172,608

An audit of former Brampton Mayor Susan Fennel expenses revealed \$172,608 of inappropriate expenses; including \$220 for 44 IQ quizzes on her phone. Her use of flight passes also breached expense rules. The flight passes included upgrades to business class and were far more expensive than the economy tickets she was supposed to use. The audit also found other questionable expenses such as \$144,150 for an on-call limousine service.

Brampton's council decided to punish Fennel with the maximum penalty they had the power to hand out a, 90 day loss of pay. However Fennel is now seeking \$450,000 in damages from the city, claiming that her punishment was unfair.

Susan Fennel ran in the Mayor election in October but lost, receiving 12.5% of the vote, finishing third.

Link: <http://globalnews.ca/news/1493757/audit-report-indicates-brampton-mayor-broke-expense-rules/>
http://www.brampton.ca/EN/City-Hall/meetings-agendas/City%20Council%202010/20140806cc_L9.pdf

<http://www.brampton.ca/EN/City-Hall/election/Pages/2014-Election-Results.aspx>

<http://www.thestar.com/news/gta/2015/02/04/susan-fennell-wants-450000-from-brampton-claims-she-was-wrongly-punished.html>

http://www.thestar.com/news/brampton/2014/11/03/brampton_council_calls_special_meeting_to_debate_penalty_for_mayor_susan_fennell.html

Lifetime Achievement Award

TransLink

Nominated For: A history of waste and tax hikes

Cost: Another \$250 million a year

TransLink wants to impose a new 0.5% sales tax across the Lower Mainland, and voters will decide the tax's fate in a mail-in plebiscite this spring. It's expected to raise \$250 million a year, \$258 per household. They claim they need the money to stop traffic from getting much worse, but if Lower Mainland city halls earmarked just 0.5% of their 4.8% annual revenue growth, it could fund its entire plan with no need for program cuts or the sales tax.

TransLink has a long history of waste, and tax increases. With less waste and a little spending restraint, Metro Vancouver taxpayers would be much better off and could keep their \$258.

A brief history of waste:

- A fare gate program which is years late and twice its original \$100 million budget. It still doesn't work.
- \$751,589 a year for six boards of directors
- \$1.12 million a year to lease a building it doesn't use, and used to own
- \$30,000 for a 7-foot statue of a poodle on top of a 25-foot pole
- \$523,000 on 13 TV screens at SkyTrain stations, most of which don't work
- Promising an executive pay freeze in 2013, but still paying every single executive more anyway
- \$468,015 a year for CEO Ian Jarvis, who was kicked upstairs in a desperate effort to save the TransLink plebiscite. Despite losing "public confidence," Jarvis still gets paid to advise.
- \$35,000 per month for interim CEO Doug Allen. TransLink pays two CEOs while spending money on a search firm to find a third.

A history of tax hikes:

- In 2001, the average TransLink property tax bill was \$59. Last year, it was \$238.
- In 1999, the TransLink parking tax was 7 per cent. Today, it's 21 per cent.
- In 1998, TransLink's precursor was funded by a 4 cent/L gas tax, and did not receive any gas tax revenue from the federal government. Today, TransLink's direct gas tax is 17 cents/L plus 5 cents/L of Ottawa's share – that's 22 cents/L.

Link: <http://www.notranslinktax.ca/>

<http://globalnews.ca/news/1266541/translink-paying-60000-a-month-in-rent-for-building-thats-sitting-empty/>
<http://www.cbc.ca/news/canada/british-columbia/marcella-szel-translink-board-chair-defends-paying-two-ceo-salaries-1.2959603>