

# Backgrounder: 2020 Teddy Waste Awards

## Federal

### **Global Affairs Canada (Winner)**

*Nominated for: Going millions overbudget to fly chefs around the world first-class*

#### **Cost: \$11.2 million**

Taxpayers were left with a bad taste in their mouths when Prime Minister Justin Trudeau spent more than \$17,000 to fly a Canadian chef to India to prepare Indian food, but that was just the tip of the iceberg, according to documents obtained by the Canadian Taxpayers Federation,.

Global Affairs Canada has been spending millions of dollars using a little-scrutinized fund called the Mission Cultural Fund to fly chefs around the world to cook at different embassies, among other expenses.

In addition to the Indian example, an unnamed chef was flown to the Dominican Republic to cook for a 2017 Canada Day banquet, meant to promote the country's "global image" at a cost of \$15,000, while another chef was flown to Miami to prepare "signature Canadian dishes" at a cost of \$4,643.

Most alarmingly, in 2018-19, the government budgeted \$1.75 million annually for the program, but ended up spending just over \$4 million. Since the program was created in 2016, the government has spent \$11.2 million out of a budgeted \$4.6 million, putting the actual program cost at a whopping 144 per cent over budget.

#### **Sources:**

<https://www.taxpayer.com/blog/global-affairs-defensive-as-cultural-fund-confirmed-to-be-overbudget,-burning-through-millions-29611>

<https://edmontonjournal.com/news/national/canadian-chefs-flown-around-the-globe-on-the-taxpayers-dime-report/wcm/d756dd6e-f86f-410a-bd6d-31e764ae138a>

<https://www.blacklocks.ca/govt-fly-a-chef-program/>

## **Independent Ontario Senator Donna Dasko (Nominee)**

*Nominated for: Spending \$15,000 to find out Canadians think the Senate is pointless*

**Cost: \$15,000**

Ontario Senator Donna Dasko spent \$15,000 to survey Canadians for their views on the Senate, only to discover that the most common response was that the Senate is ineffective and pointless, and that only eight per cent of Canadians had a positive impression of Senators.

Another highlight of the poll: participants were asked to say what words came to mind when they think of the Senate.

Among the top responses were: waste of money, outdated, corruption/not trustworthy and full of old people/old men.

### **Sources**

<https://www.theglobeandmail.com/politics/article-independent-senators-15000-poll-finds-many-canadians-view-the/>

<https://www.blacklocks.ca/public-pays-for-senators-poll/>

<https://www.cbc.ca/news/politics/tasker-donna-dasko-poll-senate-1.5129215>

## **Environment and Climate Change Canada (Nominee)**

*Nominated for: Taxpayer subsidies for refrigerators*

**Cost: \$12 million**

While the Trudeau government was busy imposing a carbon tax on millions of Canadians, Loblaws got a \$12 million subsidy to upgrade their refrigerators.

Former environment minister Catherine McKenna defended the move, suggesting it would be good for the environment to help the company make its fridges more energy-efficient.

She did not explain why, following the logic of carbon taxes, she did not instead opt to impose a new inefficient refrigerator tax on the company. Loblaws turned a profit of \$800 million in 2018.

### **Sources:**

<https://globalnews.ca/news/5145773/catherine-mckenna-loblaw-new-fridges/>

<https://nationalpost.com/news/canada/federal-government-will-give-loblaws-12-million-to-make-their-fridges-more-energy-efficient>

<https://www.thestar.com/politics/federal/2019/04/09/liberal-government-slammed-for-12m-retrofit-to-loblaws-fridges.html>

### **Parks Canada (Nominee)**

*Nominated for: Worst fence placement*

**Cost: \$65,000**

In July 2019, Parks Canada erected a wooden fence on Signal Hill Historic Site in St. John's, ostensibly to help address traffic safety issues on the popular lookout.

Comedian Rick Mercer blasted the fence as “stunning in its ugliness.”

Less than 48 hours after being installed, the fence – which had been put in place without any public consultation and blocked an iconic view overlooking St. John's harbour – was gone after intense public backlash.

The short-lived fence cost taxpayers a total of \$65,000, not including the cost of removal.

#### **Sources:**

<https://www.cbc.ca/news/canada/newfoundland-labrador/signal-hill-fence-demolition-1.5216099>

<https://www.cbc.ca/news/canada/newfoundland-labrador/signal-hill-fence-cost-1.5217839>

### **Department of Public Works and National Defence (Nominee)**

*Nominated for: Going overbudget while trying to find out how to save money on office space*

**Cost: \$331 million and counting**

Back in 2008, the Department of National Defence proposed a way to save money by combining forty separate offices and moving just over 9,400 employees to a single location.

Ironically, the plan's execution led to a massive waste of taxpayer money.

Nortel Networks former head office was purchased for \$208 million, with an overall budget of \$506 million and a completion date of 2019.

No single department was put in charge of the initiative. Instead, there were six separate committees at four different agencies: the Department of Public Works, Department of National Defence, Treasury Board and Shared Services Canada, the federal IT department.

As of March 2020, the project remains incomplete with the tab already at \$837 million.

### **Sources**

<https://www.blacklocks.ca/plan-went-65-over-budget/>

<https://nationalpost.com/news/politics/dnd-will-spend-1-1-billion-on-new-ottawa-headquarters-as-employees-move-into-800m-complex>

<https://ottawacitizen.com/news/national/defence-watch/dnd-employees-to-move-again-as-exodus-from-downtown-hq-frees-up-space>

<https://www.ctvnews.ca/canada/dnd-may-abandon-1b-move-to-former-nortel-site-because-of-surveillance-bugs-1.1477766>

### **Privy Council Office (Nominee)**

*Nominated for: Glitzy awards night for federal communications staff*

**Cost: \$12,000**

A Hollywood-style awards night for federal communications staff left taxpayers with a \$12,450 bill. The cost of the 2019 Communications Awards of Excellence included \$2,880 for a cocktail party where staff billed for Nova Scotia smoked salmon, Serrano ham, parmesan risotto balls, and Alberta Angus beef meatballs with bourbon barbecue glaze, and featured a red carpet and engraved crystal awards.

The event went ahead for a second year this February, and, despite the room being full of professional communicators, no one felt compelled to communicate the value proposition for taxpayers.

**Sources:**

<https://www.taxpayer.com/blog/taxpayers-demand-cancellation-of-second-glitz-awards-night-for-federal-bureaucrats>

<https://www.blacklocks.ca/red-carpet-night-cost-12k/>

**Provincial**

**Yukon Department of Tourism and Culture (Winner)**

*Nominated for: Worst influencer campaign ever*

**Cost: \$139,000**

Someone in the Yukon had a brilliant idea: Buy gold and throw in a creek at a taxpayer-funded publicity stunt.

The Yukon government jumped on board and spent \$139,000 to promote and stage the Gold Rush II initiative where organizers threw gold into a creek as part of a tourism influencer campaign.

Since the original gold rush cleaned out most of the gold, the organizers started with a crowdfunding campaign to raise money to buy some gold. The Klondike Visitors Association (KVA) set a goal to raise \$100,000, but fell a bit short, raising just over \$4,500.

Despite this setback, the KVA used the crowdfunded money to buy 3.5 ounces of gold and the event went ahead, with the Yukon government spending \$139,000 to execute and promote the event.

Organizers planned to send invitations to more than 20 media outlets, but only three social media influencers and one reporter showed up.

**Sources:**

<https://www.taxpayer.com/newsroom/yukon-government-spends-thousands-to-throw-gold-in-creek?id=18261>

## **Quebec's Ministry of the Environment (Nominee)**

*Nominated for: Spending millions going paperless before going back to paper*

**Cost: \$4.7 million**

Quebec's Ministry of the Environment wanted to make their inspection process paperless, so it embarked on a \$4.7-million program to develop specialized software and buy 246 specialized heavy-duty tablets for their inspectors (at a cost of \$4,500 per unit).

The program started in 2011, with a \$833,000 contract for five years of software development.

In 2016, it bought tablets as planned at a cost of \$1.1 million. Inspectors had a trial run, but a year later they found out the software did not respond to their needs.

It was so bad the government took the tablets away from the inspectors and reverted to reliable paper forms.

The Quebec government deleted any and all mention of the program from its website. When asked about the program, a spokesperson for the ministry said bureaucrats are working on finding a solution, but that they cannot guarantee the tablets, which remain in storage, will ever be used again.

### **Sources:**

<https://www.journaldequebec.com/2019/04/05/des-centaines-de-tablettes-tablettes-a-lenvironnement>

<https://www.tvanouvelles.ca/2019/04/05/des-centaines-de-tablettes-inutiles-a-lenvironnement>

## **The Government of New Brunswick and City of Saint John (Nominee)**

*Nominated for: New Brunswick taxpayers paying for graffiti in Toronto.*

**Cost: \$130,000**

The province of New Brunswick and the city of Saint John paid for an all-expenses-paid trip for Toronto graffiti artists to come to Saint John, be inspired, then return to Toronto

to paint New Brunswick-inspired murals in Toronto and post pictures of them on Instagram.

The provincial government spent more than \$100,000 producing the event, and another \$15,000 for advertising. With a contribution of \$15,000 from the City of Saint John, the total bill for the graffiti marketing came to \$130,000.

The spray-painted murals in Toronto included dancing blueberries and lobsters scratching turntables.

The province defended the all-expenses paid trip for the three artists, saying they had cameras in their faces the whole time. The trio got to boil lobsters on the beach, visit bars and patios, and see other top tourist sites in the province.

The murals are expected to stay up for one year.

#### **Sources:**

<https://tj.news/story/101021888>

<https://www.discover saintjohn.com/toronto-graffiti-artist-uber5000-paint-mural-uptown-saint-john>

<https://www.facebook.com/DiscoverSaintJohn/videos/1204974859683937/>

<https://huddle.today/uber5000-is-the-latest-artist-to-make-a-mark-on-uptown-saint-john/>

### **Ontario Cannabis Retail Corporation (Nominee)**

*Nominated for: Losing money selling drugs*

#### **Cost: \$42 million**

Ontario managed to lose millions of dollars selling marijuana, after a series of botched changes and cost overruns. The province's Ontario Cannabis Retail Corporation was tasked with both online sales and the wholesale distribution of recreational pot, earning \$64 million in revenue.

Unfortunately, expenses totalled \$106 million. Losses included the botched lottery system for licensing, \$23,000 to administer a single webinar, and roughly \$600,000 spent on the company's logo.

The province has suggested the losses were driven by “start-up costs.”

**Sources:**

<https://www.cbc.ca/news/canada/toronto/ontario-cannabis-loss-1.5282994>

<https://www.cbc.ca/news/canada/hamilton/pot-sales-rosenthal-1.5286351>

<https://business.financialpost.com/cannabis/cannabis-business/how-the-ontario-cannabis-retail-corp-lost-42-million-last-year>

<https://www.bnnbloomberg.ca/ontario-s-cannabis-business-posts-42-million-loss-in-last-fiscal-year-1.1315895>

**The Canadian Energy Centre (a.k.a. Alberta’s energy war room)**

*Nominated for: The logo fiasco*

**Cost: Unknown**

The Canadian Energy Centre, or the “energy war room” the brainchild of Alberta’s new government. However, the \$30 million effort hasn’t had gotten off to a stellar start, and earned this nomination for the comedy of errors and waste that surrounded its logo.

In December, the war room had to change its logo after it was revealed that the logo was already being used for an American tech company. The logo it switched to also came under fire, though it hasn’t been changed yet.

We may never get to know the cost of the whole fiasco, because the “war room” isn’t subject to freedom of information requests.

**Sources**

<https://www.cbc.ca/news/canada/edmonton/alberta-energy-war-room-discovers-its-logo-was-lifted-from-american-software-company-1.5403077>

<https://globalnews.ca/news/6318124/alberta-ucp-energy-war-room-logo/>

<https://calgaryherald.com/news/local-news/alberta-governments-war-room-possibly-runs-afoul-over-second-logo>

<https://edmonton.ctvnews.ca/alberta-s-war-room-replaces-logo-that-appeared-to-copy-u-s-company-1.4739721>

## **Nova Scotia's Yarmouth Ferry (Nominee)**

*Nominated for: Forcing taxpayers to keep the boat afloat*

**Cost: \$17.8 million**

The Yarmouth ferry is a returning nominee from 2018 after making headlines for losing millions of dollars and sticking Nova Scotia taxpayers with the cost of improvements to the Portland, Maine, ferry terminal. It made headlines again in 2019 with a total loss of the sailing season due to renovations at the American end of the ferry route.

During the downtime, the ferry cost Nova Scotia residents an extra \$4 million without sailing once. The total cost of the non-running ferry was \$17.8 million.

### **Sources:**

<https://atlantic.ctvnews.ca/after-failed-season-the-yarmouth-ferry-is-set-to-sail-again-1.4821832>

<https://globalnews.ca/news/6595917/nova-scotia-subsidy-maine-ferry-2020/>

<https://www.thechronicleherald.ca/business/local-business/bay-ferries-ceo-mark-macdonald-confident-yarmouth-to-maine-season-will-go-ahead-on-june-26-416825/>

<https://atlantic.ctvnews.ca/province-focused-on-2020-as-season-for-yarmouth-ferry-dwindles-away-1.4619072>

## **Municipal**

### **City of Toronto Parks and Recreation (Winner)**

*Nominated for: Euchre-gate*

**Cost: Hundreds of hours of bureaucrats' time investigating a seniors' card game**

Toronto's Parks and Recreation Department has spent countless hours investigating a serious problem in its local community centres: seniors playing euchre.

The investigation was led by a team of Scarborough Community Recreation supervisors, along with the city's legal department and Gaming Services division. The

crime? Seniors were paying \$1.25 to play three hours of euchre at various community centres in Scarborough.

The Canadian Taxpayers Federation obtained 186 pages of documents detailing the bureaucracy's extensive work cracking down on the old-timers' sinister gambling operation.

After the story became widely known, the city finally dropped the investigation, with Toronto Mayor John Tory joking about calling off the "fun police."

**Sources:**

<https://torontosun.com/news/local-news/levy-euchregate-no-more>

<https://torontosun.com/news/local-news/levry-euchregate-latest-insanity-from-parks-and-rec>

**City of Winnipeg building inspectors (Nominee)**

*Nominated for: Getting caught wasting ridiculous amounts of time*

**Cost: Unknown**

Long lunches, shopping trips, short shifts: That's what concerned citizens saw after they hired a private investigator to track the activity of City of Winnipeg building inspectors with the planning, property and development department.

Inspectors were on extended coffee, cigarette and lunch breaks, eating away hours of the day. There were also personal shopping trips, errands and chores on city time, as well as employees slipping away early, effectively cutting shifts in half. Little to no work done while on the taxpayers' dime.

A total of 12 people left the department and six people were fired in the immediate wake of the private investigator's findings and the following news reports in June. In September, the city said eight inspectors were fired and seven suspended after its own internal investigation.

All of the workers made between \$75,000 to \$150,000.

**Sources:**

<https://globalnews.ca/news/5658992/6-more-winnipeg-building-inspectors-fired-during-city-investigation/>

<https://canada.constructconnect.com/joc/news/government/2019/09/six-winnipeg-building-inspectors-fired-improvements-sought-to-help-contractors-and-public>

<https://www.cbc.ca/news/canada/manitoba/city-investigation-prompts-suspensions-leave-1.5206094>

## **Metropolitan Regional Transport Authority (Montreal)**

*Nominated for: Forgetting to account for \$200 million in taxes when calculating the cost of a subway extension*

### **Cost: \$200 million**

The government of Quebec had to add another \$200-million worth of costs for a long-planned subway extension in Montreal because it forgot to add the tax.

After approval of the Blue Line extension in 2013, the government entity leading the project was the Metropolitan Transport Agency. As a provincial agency, it was exempt from taxation.

Before the old agency could go forward with the project, it was dissolved and the government created a new agency, the Montreal Regional Transport Authority. As a regional authority, it became subject to taxes. By the time anyone noticed the shift, the new agency's tax bill pushed the project over budget by \$200 million.

The original price tag for the project was \$3.9 billion, but with the newly discovered tax bill and other overruns, it's now pegged at \$4.5 billion

### **Sources:**

<https://www.lapresse.ca/actualites/grand-montreal/201905/13/01-5225961-prolongement-de-la-ligne-bleue-des-oublis-gonflent-la-facture-de-600-millions.php>

<https://globalnews.ca/news/5274591/montreal-metros-blue-line-extension-costs-rise-by-600m-stm/>

<https://montrealgazette.com/news/local-news/cost-of-metros-blue-line-extension-rises-to-4-5-billion-reports>

### **City of Victoria (Nominee)**

*Nominated for: Spending taxpayers' money on a stainless-steel public ping pong table*

**Cost: \$5,150**

The City of Victoria spent \$5,150 on an imported French stainless steel ping pong table in a local park. The city also plans to hand out free table tennis paddles and balls to nearby schools, businesses, homes and hotels.

**Sources:**

<https://www.vicnews.com/news/taxpayers-question-cost-of-new-public-ping-pong-table-in-humboldt-plaza/>

<https://vancouverisland.ctvnews.ca/victoria-unveils-new-downtown-public-plaza-5k-ping-pong-table-1.4551540>

<https://www.victoriabuzz.com/2019/08/victoria-unveils-urban-plaza-with-outdoor-table-tennis-at-corner-of-humboldt-and-douglas/>

### **City of Vancouver and TransLink (Nominee)**

*Nominated for: Spending hundreds of thousands on red rectangles*

**Cost: \$200,000**

The latest in a long series of expensive ideas coming from TransLink, Metro Vancouver's transit authority, \$200,000 was spent on painting five large red rectangles at five bus stops throughout the region.

The five red zones, which cost \$40,000 each to paid, are part of a new city pilot project testing whether the red paint helps deter drivers from parking their cars in the zones.

**Sources:**

<https://bc.ctvnews.ca/red-zones-translink-testing-coloured-curb-lanes-at-vancouver-bus-stops-1.4624216>

[https://twitter.com/alan\\_regan/status/1179809349188739072?s=20](https://twitter.com/alan_regan/status/1179809349188739072?s=20)

<https://www.narcity.com/news/ca/bc/vancouver/vancouver-red-bus-lanes-painted-to-stop-cars-from-getting-in-the-way>

## **2020 Lifetime Achievement Award: Former Montreal Mayor Michael Applebaum**

*Nominated for: Keeping taxpayers' money after being convicted*

### **Cost: More than a million dollars in severance and pension payments**

This year's Lifetime Achievement Teddy goes to Michael Applebaum, the former mayor of Montreal. Applebaum previously plead guilty to eight counts of corruption in 2017, and spent six months in prison.

Despite his convictions, Applebaum will get to keep his \$260,000 taxpayer-funded severance package stemming from his time as a crooked mayor and councillor in Montreal, and will remain eligible for \$36,000 a year from a taxpayer-funded pension when he turns 60, meaning that if he lives to age 90, he will collect more than a million dollars in pension payments.

The city went to court to force Applebaum to repay the money he received, but to no avail, with the court ruling that he could keep the severance package and pension because a law that forces corrupt politicians to return taxpayers' money was not enacted until after Applebaum had committed his crimes. The city is planning on launching an appeal.

"Obviously, we are disappointed to think that a person who has been found guilty of fraud can still benefit from the compensation that Montrealers paid him," said Mayor Valerie Plante.

### **Sources:**

<https://montrealgazette.com/news/local-news/ex-montreal-mayor-michael-applebaum-doesnt-have-to-return-268000>

<https://montreal.ctvnews.ca/disgraced-ex-mayor-michael-applebaum-must-pay-back-severance-city-lawyers-argue-1.4705092>

<https://www.cbc.ca/news/canada/montreal/michael-applebaum-montreal-severance-pay-1.5433492>