# **Backgrounder: 2021 Teddy Waste Awards**

## **Federal**

## **Julie Payette (Winner)**

Nominated for: Disgracing the Office of the Governor General while wasting millions of taxpayer's dollars.

#### Cost: Over \$1 million and counting

Former governor general Julie Payette won the federal Teddy this year for wasting more than million dollars as she ran Rideau Hall into the ground.

Payette spent more than \$650,000 for her swearing in ceremony, and more than half a million dollars for renovations at her official residence that she never actually lived in.

The investigation into her questionable management techniques cost taxpayers another \$393,000 before Payette resigned.

On top of all that, she'll be eligible to claim up to \$206,040 in expenses each year after leaving office.

That expense account even extends beyond the grave as the estate of former governors general can keep billing taxpayers for six months after they pass on, according to documents obtained by the Canadian Taxpayers Federation.

The federal government hasn't made any public announcements about the future of the expense program for former governor generals.

If Prime Minister Justin Trudeau can take some of our advice: Cut the purse strings when a governor general blasts off.

### Sources:

https://www.taxpayer.com/newsroom/new-costs-push-governor-general-juliepayette%E2%80%99s-home-renovation-bill-to-502,395

https://www.taxpayer.com/newsroom/former-governor-generals-allowed-to-bill-canadiansbeyond-the-grave

https://globalnews.ca/news/7634565/julie-payette-resignation-expenses/

## Health Minister Patty Hajdu (Nominee)

Nominated for: Spending tens of thousands on weekends flights while telling Canadians to stay home

### Cost: \$73,220

Taxpayers paid \$73,220 to jet Health Minister Patricia Hajdu home for weekends in Thunder Bay, even though she was telling people to stay home during the first wave of COVID-19.

Her trips included travelling over the Easter and Victoria Day holidays, despite her ministry advising against travel and social gatherings. The minister claimed she had "pressing constituency business" back in her Thunder Bay riding that necessitated her travel, but public gatherings were banned at the time.

She has never publicly discussed her personal use of a Department of Transport jet, which the health minister took alone.

When asked, Health Canada couldn't find any records for Hajdu's work schedule during the trips.

#### Sources

https://nationalpost.com/news/politics/liberal-ministers-hajdu-duclos-travelled-often-duringpandemic-even-while-warning-public-to-stay-home

https://www.tbnewswatch.com/local-news/hajdus-office-offers-explanation-for-pandemic-flightsto-home-riding-2566834

https://www.blacklocks.ca/weekend-flights-cost-73220/

## **Global Affairs Canada (Nominee)**

Nominated for: Handing out money for a sex-toy art show in Germany and a Bryan Adams photo exhibit

#### Cost: \$59,958

Global Affairs Canada gets a federal nod this year after handing out tens of thousands of taxpayer's dollars to a German sex-toy art show and a Bryan Adams photography exhibit.

The spending was discovered by the CTF after examining records obtained from the Mission Cultural Fund, an obscure pot of money used by the foreign service to promote Canada abroad.

We found \$51,145 went from the fund to a red-carpet gala in Toronto in 2017. The event at the Royal Ontario Museum was celebrating the photographic skills of Adams.

As for the German sex-toy art show, \$8,813 was given to Canadian visual artist and musician Peaches for her solo art show titled "Whose Jizz Is This" in Hamburg, Germany, in 2019. The show had featured an eclectic cast of giant sex toys called Fleshies.

When we asked her about the funding, Peaches thanked Canadians for their support.

## Sources

https://www.taxpayer.com/newsroom/ottawa-funds-rock-star-photo-exhibit-and-doublemasturbator-display?id=18600

## Prime Minister Justin Trudeau (Nominee)

Nominated for: Spending millions on the failed campaign for a United Nations Security Council seat

## Cost: \$2,446,026

Prime Minister Justin Trudeau is nominated for the millions he wasted on the four-year campaign for a seat on the United Nations Security Council.

The campaign ended in failure, with Canada coming in last behind second-place Ireland and first-place Norway. Canada spent close to \$23,000 per vote.

A detailed breakdown of all the costs involved the campaign has not been released, but earlier expenses have included hundreds of thousands of dollars in staff salaries and consultant fees.

Just over \$24,000 was also put towards the purchase of Canada-themed gifts to hand out to visitors by Canadian diplomats at the UN. The items purchased include 182 candles, 19 key chains, 194 Roots Canada gloves, and 392 boxes of maple cookies.

#### Sources:

https://www.taxpayer.com/newsroom/-24,170-put-towards-canadian-treats-for-un-diplomats

https://www.blacklocks.ca/lost-seat-at-u-n-cost-2-4m/

https://time.com/5855483/canada-un-security-council-seat/

# All Political Parties Who Took the Wage Subsidy (Nominee)

Nominated for: Using pandemic subsidies for political campaigning

Cost: At least \$2.9 million

Four of the five main federal political parties can all share in this Teddy nomination.

The Liberals, Conservatives, New Democrats and Greens all took money from the Canada Emergency Wage Subsidy, which supports businesses that are struggling during the COVID-19 pandemic.

Combined, the four parties received \$2.9 million, though the Conservatives said they would return the money. The Bloc Québécois was the only party not to apply for the money, and repeatedly criticized the actions of the other parties.

Four other provincial parties took the money. They were Premier Jason Kenney's United Conservative Party, the Alberta Liberal Party, the Prince Edward Island Liberal Party, and the British Columbia Green Party.

## Sources

https://ipolitics.ca/2020/12/22/eight-political-parties-in-canada-have-received-the-wage-subsidy/ https://www.cbc.ca/news/canada/calgary/alberta-ucp-wage-subsidy-1.5587053 https://www.taxpayer.com/newsroom/ucp-only-confirmed-governing-provincial-party-to-take-

https://www.taxpayer.com/newsroom/ucp-only-confirmed-governing-provincial-party-to-takefederal-wage-subsidy

# **Provincial**

## Societe des Traversiers du Quebec, (Winner)

Nominated for: Wasting hundreds of millions of dollars on ships that don't work

## Cost: \$270 million, at least

The Quebec government took the win this year for wasting hundreds of millions of dollars on ships that keep crashing into docks.

The province bought a trio of ships to service a ferry route across the St. Lawrence, starting in 2015. The first ship, the F.A. Gauthier, was bought from an Italian shipyard for \$175 million.

It turned out to be an expensive lemon, so a used ship from Newfoundland, the MV Apollo, was purchased for \$2 million while the F.A. Gauthier was repaired.

The Apollo crashed into its own dock twice in the first month of service and was written off as unseaworthy.

The province then spent \$45 million to bring in the Saaremaa I as a replacement. It also crashed into the dock, twice.

The province's auditor general report found that the Société des traversiers du Québec purchase of the F.A. Gauthier was doomed from the start due to a lack of procurement expertise and poor negotiating.

For the sake of Quebec taxpayers, we hope to never see these ships at the Teddys again.

## Sources:

https://www.cbc.ca/news/canada/montreal/auditor-general-ferry-contract-fiasco-1.5781562

## **Investissement Québec (Nominee)**

Nominated for: Spending \$30 million on....zeppelins

## Cost: \$30 million

This nomination is for a wasteful idea that might have worked in the Roaring Twenties, but is a pretty bad one for the 2020s.

The government of Quebec spent \$30 million to buy shares of French start-up firm Flying Whales which makes ... zeppelins.

This wasn't the first time Flying Whales had approached Quebec for taxpayer's cash. The previous government rejected the company after noting the water the zeppelins use for stability has a habit of freezing during the harsh Quebec winter.

However, the province now thinks the nearly 100-year old technology is the wave of the future, and is gambling with the public purse in the process.

#### Sources:

https://skiesmag.com/news/quebec-defends-30-million-flying-whales-investment/

https://canadian-taxpayers-podcast.castos.com/episodes/16-trudeaus-we-troublescontinue-harrington-lake-renovation-costs-soar-and-quebec-invests-in-flying-whales

https://montreal.ctvnews.ca/quebec-premier-says-returns-will-fly-high-with-30-millionairship-investment-1.4799285

**Ontario's St. Joseph's Health System (Nominee)** 

Nominated for: Approving their CEO's vacation despite travel guidelines not to leave the country

# Cost: Potentially \$1 million

Dr. Tom Stewart used to be the CEO of St. Joseph's Health System in Hamilton, Ontario, as well as a member of an advisory board for that developed the province's pandemic stay-at-home orders.

However, he lost his job after public outcry following the news he had travelled to the Dominican Republic over the Christmas holidays in 2020. It turns out, Stewart's own board of directors had approved his vacation request, and his firing was without cause.

He could now receive up to \$1 million in taxpayer-funded severance, and St. Joseph's Health System gets the Teddy nod for approving such a golden severance deal in the first place.

## Sources:

https://www.taxpayer.com/newsroom/taxpayers-federation-slams-1-million-severance-payout-toformer-hospital-ceo?id=18854

https://globalnews.ca/news/7570287/st-joes-ceo-stewart-severance-package/

https://www.kitchenertoday.com/local-news/ctf-calls-on-province-to-review-severance-clausesfire-st-josephs-health-system-board-3258520

# Nova Scotia Transportation Department (Nominee)

Nominated for: Losing money doing nothing

## Cost: Tens of millions of dollars every year

Once again, the Nova Scotia Department of Transportation is being nominated for the idled Yarmouth ferry.

Since being relaunched in 2014, Nova Scotia taxpayers have sunk millions into the unprofitable ferry service, including payments for terminal upgrades and customs agents' salaries in the United States.

The ferry hasn't actually sailed since 2018, with a combination of construction issues and pandemic concerns shuttering the 2019, 2020 and 2021 seasons. The estimated yearly subsidy is \$17.8 million.

Despite doing nothing, the province has still paid at least \$3.5 million in management fees to Bay Ferries, the route operator.

The ferry contract runs until 2025.

#### Sources:

https://atlantic.ctvnews.ca/profit-margin-of-heavily-subsidized-yarmouth-to-maine-ferry-service-revealed-1.5319529

https://www.taxpayer.com/newsroom/taxpayers-federation-proposes-new-year%E2%80%99sresolutions-for-nova-scotia

# TransLink

Nominated for: Taking emergency COVID money to reverse pandemic pay cuts

# Cost: More than \$200,000

The final provincial nominee is no stranger to the Teddys.

British Columbia's TransLink , the regional transit operator for Metro Vancouver, made headlines when it announced agency executives would all be taking a 10 per cent pay cut last spring.

The move was pretty significant, considering the agency's CEO earns more than \$448,000, which is significantly more than CEOs at similar transit organizations throughout North America.

Freedom of information requests submitted by the CTF revealed TransLink executives used federal and provincial emergency COVID money to quietly reverse the pay cuts they'd announced.

The total cost to taxpayers of the cuts they never ended up taking? A Teddy-earning \$263,861.

# Sources

https://www.surreynowleader.com/news/upset-arises-over-translink-using-b-c-restart-funds-to-reinstate-pay-cut-of-ceo-executives/

https://www.taxpayer.com/newsroom/translink-ceo-covid-pay-cut-reversed?id=18884

# <u>Municipal</u>

# **City of Toronto (Winner)**

Nominated for: Putting in expensive bike lanes only to tear them out months later

Cost: \$240,000

The City of Toronto likes to try on big infrastructure projects like yoga pants, but if the project doesn't fit, taxpayers get hit with the bill.

The latest example? The city spent \$160,000 to build four kilometres of bike lanes on Brimley Road in July of 2020, as part of the city's pandemic response.

Then the decision was made to tear them out just five months later, which cost taxpayers another \$80,000.

The city wasted close to a quarter million dollars of taxpayer's money. That's equal to the property tax bill of 80 Toronto households. A resounding Teddy win for the city, but not something residents will want repeated.

## Sources:

https://toronto.ctvnews.ca/toronto-plans-to-remove-bike-lanes-along-brimley-road-five-monthsafter-building-them-1.5215339

https://www.blogto.com/city/2020/12/toronto-removing-one-its-newest-bike-lanes-and-peopleare-divided-if-its-good-move/

# Vancouver City Hall (Nominee)

Nominated for: Buying fancy chairs while begging for federal money

## Cost: More than \$300,000

This West Coast nomination involves a dubious shopping spree.

Vancouver City Council managed to blow more than \$316,000 on designer office furniture, including Herman Miller office chairs that cost \$1,500 apiece. At the same time, Mayor Kennedy Stewart publicly complained that the city was facing a COVID-related cash crunch.

The spending was part of an ongoing renovation project at Vancouver's City Hall, with the chairs being ordered as late as May of 2020, the same time of the mayor's public plea for more money from other levels of government.

While the city has not announced any plans to return the chairs, it did earn a Teddy nomination for the poor spending choice.

#### Sources:

https://globalnews.ca/news/7342076/vancouver-mayor-disappointed-high-end-furniturepurchase/

https://globalnews.ca/news/7339783/vancouver-city-hall-furniture/

# Rosemont – La Petite-Patrie (Montreal)

Nominated for: Paying for snow in the middle of winter

## Cost: \$63,000

Would Vancouver spend money to get more rain? Would Regina pay for wind? Well, it turns a Montreal borough paid \$63,000 for snow in the middle of winter.

The borough in question, Rosemont – La Petite-Patrie, paid 63,027 for snowmaking operations this winter. It took out the snowmaking equipment on <u>Dec. 29</u>.

Within 72 hours, Montreal would receive more than <u>20 centimetres</u> of snow.

For those who aren't familiar with Montreal's climate, the city receives about two meters of snow every winter, at no cost to taxpayers, and the city regularly goes overbudget for snow removal.

#### Sources:

https://www.taxpayer.com/newsroom/montreal-borough-spent-63,000-on-snowmakingequipment-rental?id=18921

https://www.mtlblog.com/en-ca/news/montreal/snowmaking-machines-in-montreal-costone-borough-over-60000

## Calgary City Councillor Joe Magliocca (Nominee)

Nominated for: Billing for hungry imaginary friends

#### Cost: \$64,000

This nominee is worthy of the Teddy's namesake, Ted Weatherill, a former federal bureaucrat who spent thousands on food and drink before finally losing his job.

Calgary city councillor Joe Magliocca got caught billing taxpayers hundreds of dollars for steaks, wine and martinis while on an official visit to Quebec City.

An investigation by Postmedia found 10 people listed on Magliocca's receipts who said they never sat down with him, suggesting that he has some very hungry imaginary friends.

Ultimately, a forensic audit into the debacle cost taxpayers \$64,000, while a second report concluded that more than half the reimbursements Magliocca had received since 2017 should not have been reimbursed.

So far, Magliocca has repaid the city \$6,220. He is disputing parts of the reports' findings.

Sources:

https://www.cbc.ca/news/canada/calgary/city-council-magliocca-expenses-audit-1.5711819

https://www.660citynews.com/2020/02/04/ctf-says-councillors-spending-is-disturbing-anddeeply-concerning/

https://calgaryherald.com/news/local-news/magliocca-folo

# Regina City Council (Nominee)

Nominated for: Truly tone-deaf pocket stuffing

# Cost: \$137,250 annually, with full increase

Our final municipal nominee is Regina city council, who voted themselves a whopping 26 per cent salary increase in the middle of pandemic even after they laid off 80 per cent of the city's casual staff.

Sadly, they're not alone.

Kelowna, B.C., saw all of city council get an automatic pay raise in January, while Mayor Francois Veilleux of Beauceville, Quebec, population 6,354, was set to receive a \$25,000 "pandemic bonus" until public outcry caused city council to cancel it.

While the Teddy nod for politician's pandemic pay raises will go to Regina, any local politicians who do the same are just as worthy of recognition.

## Sources:

https://globalnews.ca/news/7300277/regina-city-council-salary-increase/

https://globalnews.ca/news/7572718/kelowna-city-council-criticized-pay-increase/

https://ici.radio-canada.ca/nouvelle/1757655/beauceville-salaire-100-000-dollars-francoisveilleux

https://www.secondstreet.org/wp-content/uploads/2021/02/Cost-cutting-options-formunicipalities-Final.pdf

# 2021 Lifetime Achievement Award: Public Services and Procurement

Nominated for: The Phoenix payroll fiasco

The Lifetime Achievement is our most prestigious award.

Past recipients have included everyone from premiers and prime ministers to Bev Oda and Bombardier.

After spanning twelve years, two governments and more than \$2 billion in wasted taxpayer money, the golden pig is going to Public Services and Procurement Canada for the Phoenix payroll fiasco.

What started as a plan by Stephen Harper's Conservatives to save taxpayers money ended up doing quite the opposite.

Phoenix's cost overruns and delays saw thousands of federal bureaucrats not getting paid properly for years, or, in some cases, paid far too much. The Trudeau Liberals also deserve part of the blame after they ignored repeated warnings that the system was not ready and decided to launch it anyway.

But even though Phoenix has finally been fixed, at a cost of \$2.6 billion to taxpayers, one last news story has risen from the ashes to stiff taxpayers.

Earlier this year, it was revealed that bonus payments totalling \$1.7 million were paid to senior bureaucrats responsible for the program's disastrous implementation.

Bonuses for wasting taxpayer money: truly a phenomenon that could only ever happen in government.

## Sources:

https://www.blacklocks.ca/bonuses-totaled-1695895/

https://nationalpost.com/news/senior-government-bureaucrats-managing-the-problem-plagued-phoenix-pay-system-received-nearly-2m-in-bonuses

https://www.cbc.ca/news/politics/phoenix-pay-system-privacy-breach-1.5466855