Backgrounder: 2022 Teddy Waste Awards

Federal

National Capital Commission (Winner)

Nominated for: Wasting millions of dollars renovating the prime minister's country retreat, Harington Lake

Cost: About \$11 million

The National Capital Commission won the federal Teddy this year for ballooning the cost of renovating the prime minister's country retreat, Harrington Lake.

In 2021, the Canadian Taxpayers Federation obtained records that show it cost about \$11 million renovating Harrington Lake despite the NCC's repeated statements that the project had a total budget of \$8.6 million.

It cost the NCC \$735,000 to renovate the kitchen and \$200,000 to install new sprinklers.

The NCC is spending \$2.5 million on a backup cottage as "temporary accommodations" for the prime minister while renovation work is finished on the 16-room main residence.

If the NCC had instead chosen to spend the \$2.5 million to rent out the <u>Thousand Owls</u> estate in nearby Cumberland, Ont., as temporary housing, the prime minister and his family could stay there for eight years straight.

Maybe they can take a better look at Airbnb next time?

Sources:

https://www.taxpayer.com/newsroom/taxpayers-billed-millions-for-backup-cottage-at-harrington-lake

https://www.thestar.com/news/canada/2022/03/24/inside-the-11m-renovations-to-justin-trudeaus-country-home.html

https://www.theglobeandmail.com/politics/article-taxpayers-spend-25-million-for-reconstruction-of-guest-cottage-at/

Members of Parliament (Nominee)

Nominated for: Giving themselves three pay raises during the pandemic

Cost: \$7.7 million by the end of this year.

While many Canadians took a pay cut during the pandemic, MPs gave themselves three pay raises.

The pay raises range from an extra \$10,600 for a backbench MP to an extra \$21,200 for the prime minister compared to pre-COVID-19 salaries. A backbench MP receives an annual salary of \$189,500, while the prime minister's annual salary is now \$379,000.

Politicians in other countries showed solidarity with their taxpayers and took a pay cut.

"We acknowledge New Zealanders who are reliant on wage subsidies, taking pay cuts and losing their jobs as a result of the COVID-19 global pandemic," said New Zealand Prime Minister Jacinda Ardern. "I can confirm that myself and government ministers and public service chief executives will take a 20 per cent pay cut for the next six months."

The CTF identified 30 jurisdictions where politicians took pay cuts at some point during COVID-19.

Politicians don't deserve a pay raise when their tax hikes and deficits make it harder for Canadians to afford gasoline and ground beef.

Sources

https://www.taxpayer.com/newsroom/the-joke-is-on-taxpayers-on-april-fools%E2%80%99-day

https://www.taxpayer.com/newsroom/poll-nearly-8-in-10-canadians-against-mp-pay-raise

https://www.taxpayer.com/media/Labour-Day-Reality-Check-2021.pdf

The Canada Mortgage and Housing Corporation (Nominee)

Nominated for: Spending \$450,000 to study a home equity tax

Cost: \$450,000

The Liberals say they won't put in a home equity tax. The Conservatives say they won't do it either. But that hasn't stopped the Canada Mortgage and Housing Corporation.

The CMHC spent close to half a million dollars to study a home equity tax.

The lucky recipient of that federal money was a British Columbian advocacy group called Generation Squeeze. They were paid to examine whether the federal government should tax Canadians' home equity, among other things.

When news first broke about the study in 2020, the CMHC denied the story. Despite the bluster, Generation Squeeze's own report released in January of this year recommends a surtax on the value of homes above \$1 million.

The CMHC couldn't help but hand Generation Squeeze even more money after the study was published. In April, the CTF reported that Generation Squeeze received another \$200,000 of taxpayers' money to understand the results of their home equity tax study.

Only the CMHC could spend nearly half a million dollars studying a tax that taxpayers don't want.

Sources

https://www.taxpayer.com/newsroom/cmhc-giving-200,000-more-to-home-equity-tax-advocates

https://www.taxpayer.com/newsroom/cmhc-spent-250,000-on-home-tax-study,-despite-denials

https://bc.ctvnews.ca/time-for-an-equity-tax-experts-look-for-solutions-to-increasingly-unaffordable-housing-1.5729467

Rideau Hall (Nominee)

Nominated for: Letting former governors general bill Canadians from beyond the grave

Cost: Up to \$1 million each year

Rideau Hall gets a federal nomination this year for an office expense program that just won't die.

At the start of 2021, the CTF revealed that former governors general can bill taxpayers for expenses every year after they leave office and up to six months after their death.

The expense account provides up to \$206,040 each year and can be used for hospitality costs, salaries for up to four staff, office and travel expenses. The total cost to taxpayers could reach more than \$1 million annually with all five former governors general.

The CTF asked the federal government multiple times for information on what it plans to do with this expense account. So far, the answer is nothing.

The right answer is clear: former government employees shouldn't be able to bill taxpayers.

Sources:

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

https://nationalpost.com/news/politics/review-calls-for-more-transparency-around-expense-program-for-former-governors-general

Canadian Heritage (Nominee)

Nominated for: Spending over \$1,000 studying a free service

Cost: \$1,024

Only in the federal government could someone spend over a thousand dollars on a free service.

In 2019, the federal government audited a pair of special operating agencies within the Department of Canadian Heritage. During the audit, bureaucrats came across a Remington Model 870 Wingmaster shotgun at their Ottawa offices, stored unloaded and locked in a vault with limited access.

The department came up with a brilliant plan for a micro-audit on what to do with it. While that plan was getting off the ground, however, management figured out they could just call the Ottawa police to get rid of the unwanted gun for free.

The police took the gun away free of charge in late September of 2019. But not before the bureaucrats spent \$1,024 on the micro-audit, which included \$230 to translate the report into French.

Taxpayers hope Canadian Heritage doesn't play roll up the rim and turn a free coffee into a \$10,000 bill.

Sources

https://www.taxpayer.com/newsroom/canadian-heritage-spends-over-1000-to-get-rid-of-a-shotgun https://www.canada.ca/en/canadian-heritage/corporate/publications/audits/microaudit-firearm.html

Provincial

Investissement Québec, (Winner)

Nominated for: Subsidizing the Airbus A220 to the tune of \$380 million

Cost: \$380 million

Investissement Québec is very deserving of this year's top provincial title for adding another \$380 million in subsidies to the Airbus A220 project, formerly known as the Bombardier C-Series.

Back in 2015, the Crown corporation put \$1.3 billion into the Bombardier C-Series project in exchange for partial ownership.

That \$1.3 billion investment is now worthless, according to the corporation's latest annual report.

This \$1.3-billion loss didn't stop the Crown corporation from giving more tax dollars to planes. It announced an additional \$380 million would be given to Airbus A220 program.

Airbus A220 may have a new name, but it's the same Bombardier C-Series that tanked the last \$1.3 billion.

Sources:

https://www.journaldemontreal.com/2022/01/17/encore-des-millions-dans-la-cseries

https://montreal.ctvnews.ca/quebec-invests-another-us-300-million-to-maintain-stake-in-old-c-series-program-1.5768084

Manitoba Conservation and Climate (Nominee)

Nominated for: Spending more than \$150,000 to stop scaring polar bears

Cost: \$150,000

How do you scare a polar bear?

You don't. They're huge, they're among the biggest predators in North America and they're not scared of anything.

Yet, Manitoba's provincial government spent \$150,000 to stop scaring polar bears away from tourists.

The money was given to the tour company Frontiers North Adventures. The group runs a fleet of tundra buggies for tourists in Churchill, Man. The money was used to transform a diesel tundra buggy into an electric vehicle to reduce the noise that could scare away the bears.

Before spending all that cash, taxpayers wish the government had watched the raft of YouTube videos that show polar bears sound asleep as the diesel buggies pass by.

Sources:

https://www.ctvnews.ca/climate-and-environment/world-s-first-electric-tundra-buggy-used-for-polar-bear-spotting-in-churchill-man-1.5685111

https://www.winnipegfreepress.com/local/tundra-buggy-to-go-electric-573669652.html

Newfoundland's Department of Tourism, Culture, Arts and Recreation (Nominee)

Nominated for: "Investing" more than a hundred thousand on couches

Cost: \$136,000

Newfoundland and Labrador's government gets a Teddy nod this year for spending close to \$140,000 on four fancy couches.

Tourism Minister Steve Crocker thinks they'll be big tourist draws at the province's renovated Colonial Building, which used to serve as the legislature and is being turned into a museum.

While Crocker is free to believe in a niche tourism market for Victoria-era furniture, taxpayers shouldn't be on the hook for four sofas that cost nearly \$140,000.

Frankly, Crocker should probably clear the purchase with Finance Minister Siobhan Coady, who warned that a child born in Newfoundland and Labrador "owes debt for its birthright" as deficits continue.

Sources:

https://www.cbc.ca/news/canada/newfoundland-labrador/bourne-chairs-colonial-building-restoration-1.6281053

Government of Ontario (Nominee)

Nominated for: Giving political parties a payday advance for their political welfare

Cost: Over \$60 million

Every political party at Queen's Park gets a Teddy nod this year for raking in the payday cash advances Premier Doug Ford failed to cancel.

In Ontario, taxpayers are forced to hand over money to political parties four times a year due to a pervote subsidy system.

Despite Ford's promise to end political welfare, his government passed <u>legislation</u> that allows Ontario's four major political parties to get three quarterly payments early. The payments arrived just in time for the 2022 election.

Ford also hiked the per-vote subsidy, which increased the subsidy to more than \$60 million over his government's term.

Opposition parties at Queen's Park fight almost everything Ford does. But they've found something they can give Ford a pass on: Giving themselves more tax dollars.

Can you hear the Kumbaya at Queen's Park?

Sources:

https://www.taxpayer.com/newsroom/ontario%E2%80%99s-political-parties-take-a-big-payday-advance

Loto-Québec (Nominee)

Nominated for: Spending millions on overtime while casinos were closed

Cost: \$1.9 million

This nominee exemplifies government employees' unrelenting commitment to being paid overtime.

Loto-Québec somehow managed to spend nearly \$2 million in overtime in 2020-21, despite casinos and gambling halls being closed for nine months due to COVID-19.

Even though casinos were closed, the government employees at Loto-Québec claimed nearly 43,000 hours of overtime.

Loto-Québec teaches us an important life lesson: just because no one is at the BlackJack table, it doesn't mean you stop dealing.

Now, that's commitment.

Sources

https://www.journaldemontreal.com/2021/06/01/pas-de-casinos-mais-des-heures-supplementaires-chez-loto-quebec

Municipal

Sukh Gill, former chief administrative officer at the Thompson-Nicola Regional District (Winner)

Nominated for: Wasting taxpayers' money on a champagne room and jewelry

Cost: More than \$500,000

The winner of the Teddy this year knew how to party and expensed \$500,000 over five years on fancy meals, jewelry for staff and a champagne room.

No, it's not a rockstar or a pro athlete. This was a bureaucrat at the Thompson-Nicola Regional District.

The story about the odd spending at the TNRD was first broken by Kamloops This Week. The paper had pulled pages and pages of spending by the district's former chief administrative officer, Sukh Gill, after he left under unclear circumstances in February of 2020.

The district's own forensic audit criticized its financial rules and a sweeping set of changes were recommended.

Gill himself didn't participate in the probe and got to keep his \$500,000-severance package.

Sources:

https://www.kamloopsthisweek.com/local-news/tnrd-forensic-audit-report-released-and-contains-69-pages-worth-of-information-4989465

https://www.taxpayer.com/newsroom/audit-reveals-shocking-spending-at-thompson-nicola-regional-district

https://infotel.ca/newsitem/no-consequences-for-former-cao-after-tnrd-investigations/it88711

Winnipeg City Hall (Nominee)

Nominated for: Spending \$260,000 on fake Christmas tree enhancements.

Cost: \$260,000

Winnipeg spent hundreds of thousands of taxpayers' money on Christmas tree enhancements.

Winnipeg's municipal government forked out just over \$40,000 to get an artificial and reusable tree to stand in front of City Hall.

While the fake evergreen was getting the job done, Mayor Brian Bowman's office couldn't help but spend another \$152,000 in 2021 on a 22-foot extension, along with over \$82,000 on new decorations and a new tree stand that cost more than \$25,000.

City councillor Shawn Nason questioned whether City Hall was suffering from "tree envy."

Sources:

https://winnipegsun.com/news/news-news/tree-envy-city-halls-new-50-foot-christmas-tree-cost-a-pretty-penny

City of Ottawa (Nominee)

Nominated for: Giving a \$2.9 million tax break to a Porsche dealership

Cost: \$2.9 million

Of all the things a city can subsidize, you'd think a luxury sports car dealership would be low on the list.

But not in Ottawa, where the city government has earned its Teddy nomination after it decided to hand over \$2.9 million in tax breaks to a local Porsche dealership.

The money comes through a city program aimed at revitalizing a struggling main street in Ottawa.

As Postmedia's Jesse Kline pointed out, the money went to a two-story Porsche dealership on top of an existing Audi dealership, that's on the same site as a Maserati dealership, and just SIX HUNDRED METERS from the company's existing Porsche dealership.

Seriously, it's a nine minute walk.

Rumour is Lamborghini and Rolls Royce are feeling left out.

Sources:

https://www.taxpayer.com/newsroom/watson-pulls-a-reverse-robin-hood-with-porsche-handout

https://www.taxpayer.com/newsroom/taxpayers-tell-city-of-ottawa-to-cancel-porsche-dealership-subsidy

https://www.taxpayer.com/newsroom/porsche-grant-shows-ottawa-city-council-is-living-on-another-planet

https://nationalpost.com/opinion/jesse-kline-ottawas-entirely-unnecessary-2-9-million-tax-break-for-thriving-porshe-dealer

Edmonton City Hall (Nominee)

Nominated for: Years of delays for its Metro Line LRT.

Cost: At least \$33 million

The next municipal nominee is the Edmonton LRT's Metro Line, which has experienced years of delays after the city took a failed gamble on a new signaling system.

The Metro Line was supposed to be a shiny new expansion of the city's light rail network, and was supposed to be open in April 2014. However, a new signaling system started to malfunction.

Eventually, the city had to hire a new company to get the signaling system working properly.

By March of 2021, the line was fully operational. The total price tag was at least \$63 million, but \$33 million went to the company with the faulty signalling system. The city has been trying to recover the money it paid to the original company through the courts.

Sources:

https://edmontonjournal.com/news/local-news/edmonton-metro-line-lrt-operating-on-complete-signalling-system-after-seven-year-delay

City of Vancouver (Nominee)

Nominated for: Spending \$645,000 on an outdoor washroom.

Cost: \$645,000

This nominee is literally flushing taxpayers' money down the toilet.

The city of Vancouver is spending \$645,000 on an outdoor public washroom.

Postmedia reported the prefabricated toilet, built by an Oregon-based company called Portland Loo, only costs \$150,000. The rest of the money will pay for sanitary and water connections into the park, and structural pad installation and landscaping.

A similar facility is being installed in Prince George, but it is only costing that city \$200,000.

The city of Vancouver needs to come clean on why its lavish loo costs so much more than Prince George's outdoor washroom.

Sources:

https://www.westernstandard.news/news/vancouver-taxpayers-splash-out-645-000-for-lavish-loo/article_ee93dad1-6fd7-50ee-ad5d-b6be2735b550.html

2022 Lifetime Achievement Award winner: Canadian climate delegations

Nominated for: Increasing emissions and the taxpayer tab at climate delegations.

Cost: More than \$1 million

The Lifetime Achievement is our most prestigious award.

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

Last year, we gave it to Public Services and Procurement Canada for the Phoenix payroll fiasco.

This year, the lucky winners are the hordes of political staff, bureaucrats and press secretaries who received taxpayer-funded trips to the United Nations climate change conference.

Canada sent oversized delegations to the two most recent UN climate conferences. We sent the largest delegation of any G7 nation to COP26 last year, with a total of 276 delegates flying to the Glasgow conference.

That was more than the host delegation from the United Kingdom. The UK managed with only 227 delegates, the Americans sent 133 and the efficient Germans sent 120. It's hard to imagine why it takes more than two Canadian delegates to do the work of one American or German delegate.

Other highlights include Finance Minister Chrystia Freeland staying in Edinburgh instead of Glasgow for her two-day visit to the conference.

The 86 km distance between the two cities resulted in a \$3,000 luxury chauffeur bill to get Freeland back and forth to the Glasgow event, along with Deputy Minister of Finance Michael Sabia, then-policy director Leslie Church and Bronwen Jervis, a senior communications advisor.

Even if rooms in Glasgow were full, it's hard to imagine that a deputy prime minister of a G7 country couldn't pull rank. Forcing some bureaucrats to zoom in rather than fly to Scotland could've freed up some rooms for Freeland.

And Freeland didn't have to bill taxpayers \$3,000 for a luxury chauffeur service because first class train tickets between Glasgow and Edinburg were much cheaper and faster.

The 2021 conference costs more than \$1 million.

In 2019, Canada sent the second largest G20 delegation to COP25 in Madrid, Spain. That cost taxpayers \$683,278.

Canada's COP26 delegation is less efficient than a 1970's 4X4 truck pulling a camper up a hill. It's less efficient than the American or German models.

With higher emissions and taxpayer costs, Canada's climate delegations are a worthy recipient of this year's Life Time Achievement Award for government waste.

Sources:

https://www.taxpayer.com/newsroom/freeland-stays-in-wrong-city-for-climate-conference,-drops-over-3,000-on-luxury-chauffer-service

https://tnc.news/2021/11/03/canada-sent-most-delegates-to-cop26-out-of-g7-nations/

https://www.blacklocks.ca/one-climate-flight-at-10843/

 $\frac{https://www.taxpayer.com/newsroom/exclusive-canada-sends-second-largest-delegation-to-cop 25-\\out-of-g 20-countries$