



Static or Erratic? A Temporal Study of the Auditor General of Ontario's Implementation Rates

“The implementation of recommendations is actually the key to our work, not so much the hoopla that our work might create.” - Auditor General of Ontario, Bonnie Lysck



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SCOPE OF PROJECT

This paper will begin by exploring the history of the AG and how the office has evolved over time, both through legislative changes in the Auditor General Act and how the leadership styles of various Auditor Generals have transformed the office. From the advent of true independence from the legislature and the addition of value for money audits, the Auditor General's office has truly transformed since 1886. Second, this paper will complete a literature review on the framework by which the AG operates within. The AG's role as a financial watchdog and the concepts of non-partisanship, credibility, the role of an audit, independence and responsibility government will be examined. Third, the qualitative and quantitative research methodology employed in this study will be laid out. Fourth, the database of implementation rates of recommendations over time will be presented. Fifth, results from the quantitative and qualitative data will be extracted and a discussion based from the literature review, themes and conclusions this study has discovered.

LITERATURE REVIEW

- In the literature, we see that VfM audits are a point of great contention (Weets, 2008; Power, 1997; Power, 2000). Some scholars argue VfM audits allow the AG to transcend the boundaries of an independent officer (Sutherland, 2002).
- Some question the independence of legislative officers, arguing that the legislature does constrain and/or influence independent officers (Sutherland, 2002; 1980; 1986; Thomas, 2003).
- In order to help elected officials, the public and the media hold government into account, the AG's office serves a security and watchdog function when it comes to financial administration matters. MPPs, the public and the media use the annual reports, special reports and releases by the AG to help inform themselves for question period, during election periods and in news publications.
- Credibility is important for an independent officer because the reports and findings of the officer requires the relevant stakeholders to view it as legitimate. Based on personal interviews with staff in the AG office, credibility is built upon some of the previous themes we explored, such as the AG's independence, non-partisanship and responsibility to ensure accountability.
- Good explains that the AG acts as a “financial watchdog” and does not play a role when the budget is being formulated by the Minister of Finance (2007). However, the AG indirectly plays a role in the budget (and any other government spending decisions) due to past media releases and audits the AG has completed. By establishing a legacy of past decisions, the AG has indirect influence on spenders.

Year	Number of Recommendations Issued	Recommendations fully implemented	Recommendations with Progress made	Recommendations with little or no progress made	Will not be implemented
2015	314 or 100%	103.4 or 33%	118 or 38%	48 or 15%	17 or 5%
2014	294 or 100%	117.5 or 40%	103 or 35%	59 or 21%	4 Or 1%
2013	158 Or 100%	45 or 29%	75 Or 47%	45 Or 29%	8.5 Or 5%
2012	170 Or 100%	34 Or 20%	103 Or 61%	26 Or 15%	6 Or 4%
2011		43%	86%	14%	
2010		40%	90%	10%	
2009		40%	90%	10%	
2008		50%	90%	10%	
2007		Over 50%	90%	10%	
2006		Over 50%	90%	10%	
2005		Almost 50%	80%	20%	
2004		Nearly 50%	90%	10%	
2003	No % reported				
2002	No % reported				
2001	No % reported				
2000	No % reported				
1999	No % reported				
1998	No % reported				
1997	No % reported				
1996	No % reported				
1995	No % reported				

RESULTS

Based on the thesis that implementation rates change over time as opposed to stay static proves to be true within the data in figure one. Three results which prove the thesis to be true will be presented. First, based on the data, there seems to be a steady increase in the number of recommendations issued. Between 2012 and 2015, apart from the outlier year of 2013, the number of recommendations increases from 170 to 314. That is a 54% increase in recommendations issued. Second, we see a reduction in recommendations where little to no progress has been made from 2013 to 2015. In 2013, it is 29% and it decreases by 14% in 2015, sitting at 15%. From 2004 to 2011, the average is 10%. Third, there is a significant decrease in the percentage of recommendations with progress made. Between 2012 and 2015, apart from the slight outlier of 2015, the percentage of recommendations with progress made reduces from 61% to 38%, a 23% decrease.

METHODOLOGY

The quantitative approach will encompass a database which compiles implementation rates of recommendations, included at the end of each annual report since 1995, when implementation rates were first introduced. Once compiled into a database, the data set will be organized into database to assess changes and any themes across time. For example, the number of recommendations issued, recommendations fully implemented, recommendations with progress made, recommendations with little or no progress made and recommendations that cannot be implemented.

The qualitative research methodology is comprised of a series of open-ended questions concerning implementation rates, the view of the AG towards auditees and changes in the way recommendation implementation rates are assessed. Qualitative data allows us to understand implementation rates in a way that quantitative data cannot. Recall, Lonsdale et. al echoed Good arguing that the impact from audits on government can take various forms, not measurable and be felt a long time later (2000). By employing both methodologies, we can draw conclusions about implementation rates that are nuanced, multi-faceted and valid.

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