MEMORANDUM TO: Chairs of Boards of Health

FROM: Ron Sapsford
Deputy Minister
Ministry of Health and Long-Term Care

Cynthia Morton
Deputy Minister
Ministry of Health Promotion

RE: EXPENDITURE RESTRAINTS

On December 2, 2008, the Ontario government announced measures to constrain spending on public salaries and to freeze the current size of the Ontario Public Service (OPS).

The announcement was built upon expenditure restraint measures that were identified in the Fall Economic Statement and implemented across the OPS. As part of this exercise, ministries were asked to consider how to reduce their expenditures and to track and report on the measures taken to achieve this objective.

Ministries have been asked to manage their costs, and the cost to the taxpayers of Ontario, in the following ways:

- Using non-print forms of advertising, including job advertising;

- Delaying the implementation of any office relocations/expansions where possible;

- Freezing the purchase/lease of new vehicles;

- Postponing or cancelling IT projects or limit the scope and number of IT projects, depending on contractual obligations;

- Reducing the use of print, photocopying and fax services; and
• Containing travel costs by using another form of communication such as teleconferencing or video conferencing, or combining/scheduling face-to-face meetings to maximize efficiency.

In addition to these actions, the government is encouraging its partners in the Broader Public Service (BPS) to limit pay increases of employees earning more than $150,000 to 1.5 per cent.

As a recipient of public funds, your organization has an obligation to ensure that these funds provide value for money and are spent prudently, in a manner that is consistent with the program mandate and funding agreement with the province.

Given this obligation, and mindful of the legislative and contractual framework within which your organization operates, we would ask that you please ensure that your transfer payment organization has the appropriate controls in place to govern the expenditure of public funds in a manner that is consistent with the new fiscal environment in which we find ourselves.

The government and its transfer payment partners must be mindful of the current fiscal environment in carefully monitoring the expenditure of public funds and assessing the needs of transfer payment recipients.

Your leadership is essential to assist the province in demonstrating a prudent and balanced approach in the management of public funds.

Ron Sapsford
Deputy Minister
Ministry of Health & Long-Term Care

Cynthia Morton
Deputy Minister
Ministry of Health Promotion

c: Medical Officers of Health
Business Administrators