



News Release

Provincial Auditor

Auditor calls for more information on spending at Crowns

For Release After Report Has Been Tabled

Regina, June 3, 2003—Saskatchewan Provincial Auditor Fred Wendel called for the Government to disclose who receives money from Crown corporations and the amounts they receive. The recommendation was contained in Volume 1 of his 2003 Report, released today.

The Report describes how the Crowns account for about 40 per cent of Government spending, yet they provide less information about their spending than the rest of Government. "We want to ensure that public business is made public," said Wendel. "Crown corporations should be as transparent as other Government agencies." In rare cases where public disclosure could cause economic damage, the information should be provided to a private (*in camera*) meeting of the Crown Corporations Committee.

At the same time, the Report notes changes that should improve the Government's accountability. The Government has published overall goals and objectives for its departments. The Government has also announced that it will present a summary financial plan for the entire Government with its next budget package. These are positive changes that will help address long-standing recommendations of the Auditor.

The Report describes risks facing the Government, and highlights areas where agencies must improve how they manage those risks. With potential shortages of skilled workers in some areas, the Government needs to reduce workplace injuries. The Report describes how Saskatchewan's two largest health regions are not adequately using best practices to reduce work-related back and shoulder injuries to care staff. "We encourage staff, managers, and boards of all health regions to do more to reduce injuries," said Wendel.

The Government is promoting a more representative workforce. The Auditor's Report outlines the Government's Aboriginal Employment Development Program. The Program brings the Department of Government Relations and Aboriginal Affairs together with employers, unions, and Aboriginal groups. The goal is to increase the participation of Aboriginal people in the workforce. To do this, it is critical that employers get ready to employ Aboriginal people and that Aboriginal people are ready for work. The Report encourages the Department to improve its public reporting on what the program is achieving.

Advances in technology influence the infrastructure the Government uses to deliver programs and services. This includes Government computer systems. The Government is replacing its central financial and human resource computer system. Most of the project management practices used by the Department of Finance to implement the first phase of the project were adequate. But the Department did not budget for the costs that other departments would incur in the development of the system. Government agencies need to budget for all the costs of their projects and monitor all of the actual costs incurred.

The Report discusses the role of the Department of Energy and Mines in managing natural resource revenue. The royalties and taxes that the Department assesses and collects are one of the largest sources of revenue for the Government. Oil and gas producers calculate the royalties and taxes they owe and submit them to the Department. But the Department does not have adequate processes to verify the accuracy of the royalties and taxes owed. The Report recommends improvements in the Department's audit practices to help the Government ensure it receives all the royalties and taxes it is entitled to.

The Government must ensure that its pension plans have good governance practices. These are important to help the Government ensure it can meet its pension obligations. A review of the plans found that the boards of these plans need to improve how they govern the plans. The Report highlights how the boards should develop strategic plans to give direction to management, define codes of conduct for the plans, and tell management what information the boards need to monitor the plans' performance.

"My report points out where the Government needs to make improvements," said Wendel. "But it is also important to note that our audits reveal that most of the 150 Government agencies covered by this report have adequate practices to safeguard public resources and have complied with the law."

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This Report is available on the Internet at <http://www.auditor.sk.ca>.

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