



Auditor: Government needs to better regulate oil and gas pipelines, overweight vehicles on Saskatchewan highways, and on-table liquor sales

REGINA, Sask., June 6, 2017 – The Ministry of the Economy continues to need to do a better job of monitoring pipeline operators' compliance with integrity management and safety processes for existing pipelines, says Provincial Auditor Judy Ferguson in her *2017 Report – Volume 1*, tabled today. In her Report, Ferguson also reports on the Ministry of Highway's enforcement of vehicle weight and dimension laws on provincial highways, and on Saskatchewan Liquor and Gaming Authority's regulation of the sale of liquor to the public for consumption at permitted establishments (e.g., restaurants, taverns).

By March 2017, the Ministry of the Economy was not doing enough to effectively regulate oil and gas pipelines. It had implemented only two of the five remaining recommendations first made in a 2012 audit of its regulation of oil and gas pipelines. While proposed changes to *The Pipelines Act, 1998* would strengthen the existing regulatory framework, the Ministry still has work to do. The Ministry had not yet developed written policies and procedures to guide staff who are to evaluate existing pipeline operations. In addition, it had not yet developed a risk-based assessment approach to verify pressure tests and monitor pipeline construction and the integrity and safety of existing pipelines. Effective pipeline regulation helps to prevent leaks, explosions, and other hazards. "Pipeline leaks can contaminate land and water, having a serious impact on residents and wildlife in the area," says Ferguson.

The Ministry of Highways and Infrastructure spends at least \$10 million annually to repair damage to provincial highways caused by overweight vehicles. Ferguson's audit of the Ministry's enforcement of vehicle weights and dimension laws on provincial highways found, while it had clear policies and procedures, it had work to do. It completed less vehicle weight and dimension enforcement activities than planned. For example, in 2015-16, its 10 weigh scales were open 10,273 hours instead of the expected 11,700 hours. The audit also found that it was unclear whether the Ministry's expected enforcement activities focused on the riskiest areas. It needs to rationalize its expected vehicle enforcement activity based on a risk assessment. This would confirm whether its planned activities are sufficient. Also, it must actively monitor whether staff carry out its plans. Sufficiently enforcing weight and dimension regulations helps to prevent damage to pavement and bridges, which, in turn, can decrease maintenance costs and make it safer for the travelling public.

Saskatchewan Liquor and Gaming Authority had generally effective processes to regulate the sale of liquor to the public for consumption at permitted establishments (e.g., restaurants or taverns). The Auditor identified improvements needed in a few areas. To ensure it treats persons/businesses that SLGA has issued a permit to fairly and consistently, SLGA needs to update its inspection plan to focus on the areas of highest risk. In addition, it needs to formalize its timelines for inspecting permitted establishments and investigating complaints about them. "Having effective regulatory processes can help to reduce health and safety risks related to alcohol consumption such as underage drinking and overserving," says Ferguson.



Additional issues highlighted in the Provincial Auditor's Report include:

- › Detecting inappropriate physician payments at the Ministry of Health
- › Delivering childhood immunizations in Mamawetan Churchill River Regional Health Authority
- › Using MRI efficiently in Regina Qu'Appelle Regional Health Authority
- › Overseeing contracted special-care homes in Saskatoon Regional Health Authority
- › Engaging Grades 7 to 12 students in Living Sky School Division No. 202
- › Mitigating the effects of climate change at the Ministry of Environment

Further details regarding the key topics covered in Volume 1 of the 2017 Report can be found in the accompanying [Backgrounder](#). The full Provincial Auditor's 2017 Report – Volume 1 is available online at www.auditor.sk.ca.

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