

First Nations and Métis Relations

5

Main points	54
Introduction	55
Audit conclusion—Métis Development Fund	55
Facilitating partnerships—a follow-up	56
Reliability of information	57
Reporting progress toward short and long-term targets	58

Main points

In this chapter, we report on the audit of the Métis Development Fund. We also report that the Department of First Nations and Métis Relations has implemented recommendations we made in 2003 about the Aboriginal Employment Development Program. The Department has improved the reliability and consistency of information related to the participation of Aboriginal people in the provincial workforce. It reports progress using trends in the number of Aboriginal people employed by its partners.

Introduction

The Department of First Nations and Métis Relations (Department) works with First Nations and Métis people and their organizations to advance common interests. It provides leadership to include the priority issues of First Nations and Métis people in the Government's policies and programs. It also helps the Government fulfill its obligations for treaty land entitlement.

We reported the results of the audit of the Department of First Nations and Métis Relations for the year ending March 31, 2006 in Chapter 19 of our 2006 Report – Volume 3.

The Department is responsible for the Métis Development Fund (also called the Clarence Campeau Development Fund). The Fund has a December 31 year-end. The Fund's 2006 Annual Report includes its financial statements for the year ending December 31, 2006. Those statements report revenue of \$2.5 million, expenses of \$1.0 million, and net assets of \$14.5 million.

This chapter reports the results of our audit of the Fund for the year ending December 31, 2006 and describes actions the Department has taken on recommendations from our 2003 audit of the Aboriginal Employment Development Program.

Audit conclusion—Métis Development Fund

The Fund's Board of Directors appointed Deloitte & Touche LLP as the Fund's auditors. Our Office worked with Deloitte & Touche LLP to form our opinions. To do our work, we followed the framework in the *Report of the Task Force on Roles, Responsibilities and Duties of Auditors*.¹ Deloitte & Touche LLP and our Office formed the following opinions.

In our opinion, for the year ended December 31, 2006, the Métis Development Fund's financial statements are reliable. The Fund had adequate rules and procedures to safeguard public resources, and complied with authorities governing its activities relating to financial

¹ To view this report, see our website at www.auditor.sk.ca/rrd.html.

reporting, safeguarding public resources, revenue raising, spending, borrowing, and investing.

Facilitating partnerships—a follow-up

The Department promotes the employment of qualified Aboriginal people through its Aboriginal Employment Development Program (AEDP). Employers, unions, urban municipalities, and others who become partners commit themselves to prepare their workplaces and employ more people who identify themselves as Aboriginal. The AEDP had 76 partners as of March 2007.

In Chapter 5 of our 2003 Report – Volume 1, we reported that the Department had adequate processes to facilitate partnerships that increase the participation of Aboriginal people in the provincial workforce, with one exception. The Department needed to improve how it measured and reported progress. We recommended that the Department:

- ◆ take adequate steps to ensure it uses consistent and reliable information to evaluate its progress toward increased participation of Aboriginal people in the provincial workforce
- ◆ inform the public of its progress in achieving short-, mid-, and long-term measurable targets that contribute to the increased participation of Aboriginal people in the provincial workforce

The Standing Committee on Public Accounts agreed with our recommendations on June 8, 2004.

We based our 2003 audit on the criteria set out in Exhibit 1.

Exhibit 1—Criteria to facilitate partnerships

To adequately facilitate effective partnerships to increase participation of Aboriginal people in the workforce, the Department needs processes to:

1. identify key partnership opportunities
2. design sustainable strategies to engage partners
3. formalize clear accountability with partners
4. report progress toward increasing Aboriginal participation in the workforce

As explained below, at March 2007, the Department has complied with the recommendations. As yet, government departments do not report their performance targets publicly. As a result, the Department uses alternate ways to inform the public about its progress in increasing the participation of Aboriginal people in the provincial workforce.

Reliability of information

We recommended that the Department use reliable and consistent information to evaluate participation of Aboriginal people in the workforce.

The information the Department used in early 2007 was more reliable and consistent than it previously used.

To evaluate its progress, the Department collects information from each of its partners about the employment of Aboriginal people. The Department recognizes that the accuracy of this information relies on employees to self-declare their cultural identity. Each year, the Department asks each partner to report the following related employment data:

- ◆ the number of Aboriginal people the partner hired during the fiscal year
- ◆ the number of Aboriginal people the partner has hired cumulatively since the agency became a partner
- ◆ the number of permanent and non-permanent employees as of March 31st who identify themselves as Aboriginal

In 2005-06, 88% of its partners reported the number of new employees hired who declared themselves to be Aboriginal (82% in 2004-05). The Department combines information reported to show the number of Aboriginal people the partners have hired since they signed an AEDP agreement. Combining information from various sources and times increases the risk the information will not be accurate and complete.

To encourage partners to report the same type of information in the same way, the Department now defines key terms for its partners. Careful definitions help partners to understand what to report and improve the reliability of the information reported. For example, the Department

defines non-permanent employees as temporary, casual, seasonal, and term appointments.

The Department recognizes that employers may not collect or report the information consistently or have sound mechanisms to track related employment data. The Department has begun to disclose these limitations in its public reports. It also continues to ask and encourage its partners to report their progress in employing Aboriginal people.

Reporting progress toward short and long-term targets

We recommended that the Department inform the public of its progress in achieving short, mid, and long-term targets that contribute to the increased participation of Aboriginal people in the provincial workforce.

One of the Department's objectives is to "increase the participation of First Nations and Métis peoples in the province's workforce and economy."² The Department uses three measures related to the AEDP to help it assess progress in achieving this objective. The measures are:

- ◆ number of partnerships agreements under AEDP
- ◆ number of Aboriginal people employed by AEDP employer organizations
- ◆ number of Aboriginal people who receive work-based training in partnership employer organizations

Consistent with the Government's accountability framework, the Department does not publish targets. As a result, the Department cannot use comparisons to targets to inform the public of its progress.

Rather, the Department provides readers of its annual report and website with trends in the employment of Aboriginal people from 2002 to 2005. In particular, the website reports trends in the number of Aboriginal people permanently employed at year-end by all reporting partner agencies. It also provides detailed explanations of key activities and reasons for changes.

² Department of First Nations and Métis Relations, 2006-2007 Saskatchewan Budget Performance Plan First Nations and Métis Relations, Regina, Author, p. 11.

Because the Department does not collect the information from its partners in sufficient time, information in its annual report is based on the prior year (i.e., 2005-06 annual report includes results to March 31, 2005). The Department puts more current information on its website (i.e., website includes information to March 31, 2006). It shares information on its results with its partners through meetings with their AEDP coordinators.

In 2005-06, the Department completed a “progress review” that explains activities related to each of its performance measures in detail. It shows progress for the current fiscal year and the overall progress since 1995. In 2007, the Department also arranged for an external evaluation of the AEDP.

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