



# Covid-19 Funding – New Brunswick Workers’ Emergency Income Benefit – Department of Post-Secondary Education, Training and Labour

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## Why Is This Important?

- Oversight and monitoring of programs to help the most vulnerable should be a priority for government
- Government paid nearly \$37 million in total emergency benefits to over 40,000 applicants (\$900 per applicant) and an additional \$2.1 million to a third-party service provider to administer the emergency benefit program
- This was a new program area for the Department, resulting in higher risk of an inefficient and ineffective implementation

## Overall Conclusions

The Department:

- did not adequately plan for delivery of the New Brunswick Workers’ Emergency Income Benefit program;
- utilized a weak contract for services that was underdeveloped; and
- did not monitor program delivery to ensure required results were effectively and efficiently achieved.

While this program successfully aided over 40,000 New Brunswickers, planning for future provincial emergency response programs needs improvement.

## What We Found

### Poor Controls

- Social Insurance Number was requested but no control was in place to ensure its validity
- Department failed to obtain 827 applicant Social Insurance Numbers during the program, increasing fraud risk
- Advancing \$54.5 million in lump sum payments effectively negated a key contract control
- \$15.8 million in unused funding not reimbursed until January 2021
- No program risk assessment or Department-wide fraud risk completed

### Lack of Transparency and Accountability

- Department could provide little evidence for program planning or rationale for key decisions made
- Department did not share service-provider debrief information with SNB
- No public reporting of program results planned by the Department

### Weak Contract

- Roles and responsibilities between contract parties were unclear
- Program-critical activities added outside contract terms required additional Department resources
- No appeals process was planned
- Department had only five days to plan the program, design and negotiate the contract

### Inadequate Monitoring

- Department did not request or receive weekly reports required by the contract
- Service-provider payments of \$2.1 million not verified by Department
- No one at Department monitored program activities against contract terms and took corrective action
- Program final report not finalized until December 2020 – program ended June 2020