

Department of Finance and Treasury Board

Annual Report
2019–2020



**Department of Finance and Treasury Board
Annual Report 2019-2020**

Province of New Brunswick
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Transmittal letters

From the Minister to the Lieutenant-Governor

Her Honour, the Honourable Brenda L. Murphy
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Department of Finance and Treasury Board, Province of New Brunswick, for the fiscal year April 1, 2019, to March 31, 2020.

Respectfully submitted



Honourable Ernie L. Steeves
Minister

From the Deputy Minister to the Minister

Honourable Ernie L. Steeves
Minister of Finance and Treasury Board

Sir / Madam:

I am pleased to be able to present the annual report describing operations of the Department of Finance and Treasury Board for the fiscal year April 1, 2019, to March 31, 2020.

Respectfully submitted



Cheryl Hansen
Deputy Minister

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Minister's message

As I look back on this past year as Minister of Finance and Treasury Board, I am incredibly proud of the work of my department has done in getting our province's fiscal house in order by streamlining processes, improving transparency and implementing measures that will put more money in the pockets of New Brunswickers.

Merging Finance and Treasury Board into one department was an important step toward increasing productivity within government. This merge has created new major partnerships which has resulted in collaboration amongst funding agencies. I commend staff from both branches for their hard work and professionalism during this transition.

Another important highlight from fiscal 2019-2020 is the improvement made to fiscal reporting transparency. Now available on the department's website is an economic dashboard that highlights a selection of key indicators and provides New Brunswickers with current performance of the province's economy.

Additionally, for the first time, government is showing quarterly actuals in addition to year-end projected outcomes. This new reporting process enhances transparency by providing New Brunswickers with up-to-date financial results throughout the fiscal year.

Also introduced this year was legislation to support tax changes. This includes the reintroduction of the New Brunswick tuition tax credit, protecting New Brunswick businesses from changes to the tax treatment of passive income, and a carbon-emitting products tax and reductions to gasoline and motive fuels tax.

I am proud of the important role Finance and Treasury Board has played this year to help get our fiscal house in order. As we move into an economically challenging year due to the COVID-19 pandemic, I am committed to work with my fellow members to build on our successes and to move our province towards economic recovery and sustainability.



Honourable Ernie L. Steeves
Minister of Finance and Treasury Board

Deputy Minister's message

Fiscal 2019-2020 was a busy year for the Department of Finance and Treasury Board. I have been incredibly fortunate to lead such an innovative and enthusiastic team who impress me every day with their insight and drive to achieve positive results for New Brunswickers.

Our team plays a central role within government in providing financial leadership and identifying efficiencies in the programs and services we offer throughout the province.

This past year, we coordinated the preparation of quarterly reports, the 2020-2021 capital estimates, the 2020-2021 pre-budget consultation process and the 2020-2021 main estimates. In addition, secretariat services were provided to approximately 90 Treasury Board meetings, resulting in 278 decisions issued to departments and agencies. This compares to 60 Treasury Board meetings and 184 decisions issued in the previous year.

Advancements made in cybersecurity in 2019-2020 are attributed to the Office of the Chief Information Officer (OCIO). New mandatory cyber security training has been rolled out to 90 per cent of provincial Part I employees. All provincial employees now receive monthly cyber security updates with helpful tips.

With the onset of the COVID-19 pandemic in March 2020, critical work was launched to support the government's pandemic response. This includes health and safety support and guidance, adapting and interpreting human resource policies, developing a process for addressing critical staffing needs and working with unions toward staffing mobility.

As the ongoing pandemic continues to challenge our day-to-day operations in the coming year, the department's focus will be on providing support to New Brunswickers while remaining a strong fiscal manager to secure a brighter future for our province.

A handwritten signature in black ink that reads "Cheryl Hansen". The signature is written in a cursive, flowing style.

Cheryl Hansen
Deputy Minister

Top Government Priorities

Strategy and Operations Management

The Government of New Brunswick (GNB) uses a Formal Management system built on leading business practices to develop, communicate and review strategy. This process provides the Public Service with a proven methodology to execute strategy, increase accountability and continuously drive improvement.

The development of the strategy, using the Formal Management system, starts with our governments roadmap for the future of New Brunswick that focuses on key priorities and the importance of public accountability.

Our Top Priorities:

Affordable and Responsive Government

Getting our financial house in order will make it possible for government to be responsive and provide sustainable high-quality public services for all New Brunswickers.

Dependable Public Health Care

New Brunswickers deserve a sustainable, high-quality health-care system where they can access the services they need when they need them.

World-class Education

New Brunswick's young people need access to a world-class education, so they can make the most of their lives and compete in future job markets.

Energized Private Sector

All New Brunswickers benefit from a thriving private sector. Increasing private sector investment, growing our labour force and being home to successful businesses of all sizes is good for our province.

Vibrant and Sustainable Communities

Vibrant communities are places people want to call home. More vibrant and sustainable communities make for a more resilient province.

High-performing Organization

All New Brunswickers benefit when engaged and empowered civil servants use their talents and skills to make our province a better place.

Highlights

During the 2019-2020 fiscal year, the Department of Finance and Treasury Board focused on these strategic priorities:

- **The merger of the Department of Finance and Treasury Board** created operational efficiencies and resulted in a heightened level of collaboration among divisions as well as funding agencies.
- **Development and publication of New Brunswick's economic dashboard** which has heightened the level of accountability, providing up to date economic information on key indicators for New Brunswick's economy.
- **Quarterly Reporting of actuals** has also increased accountability and transparency. For the first time, these figures have been published in addition to year end financial information.
- **Reintroduction of the New Brunswick tuition tax credit** provided relief for New Brunswickers seeking higher education. This credit returns funds to New Brunswickers when it's needed most.
- **Introduction of Tax changes to the treatment of Passive Income** has offered needed protection for New Brunswick businesses.
- **A new process for workplace accident investigations** was designed and deployed. This included development of tools, tracking and support for training for over 100 in-house investigators.
- **Business Continuity Planning** support offered by the department played a key role in the ability of GNB to respond to unprecedented disruptions that occurred as a result of the COVID-19 global pandemic.

Performance measures

Affordable and responsive government	Measures
Eliminate deficits and reduce debt	Ratio of actual to budgeted expenditures
Innovative delivery of government services	Number of ASD advisory services engagements completed
Energized private sector	Measures
Grow capital investment from the private sector	Increase tax credit usage (forecast and actual value of Small Business Investors Tax Credit/Community Economic Development Corporation investments)
High-performing organization	Measures
Results driven workforce	Percentage of employee workplans established and reviewed
Health and safety culture	Recordable incident rate
	Average days per lost time claims
Enhance employee involvement, commitment and productivity.	Total number of paid sick days used (Part 1)

Affordable and responsive government

Objective of the measure

Eliminate deficits and reduce debt

Measure

Ratio of actual to budgeted expenditures

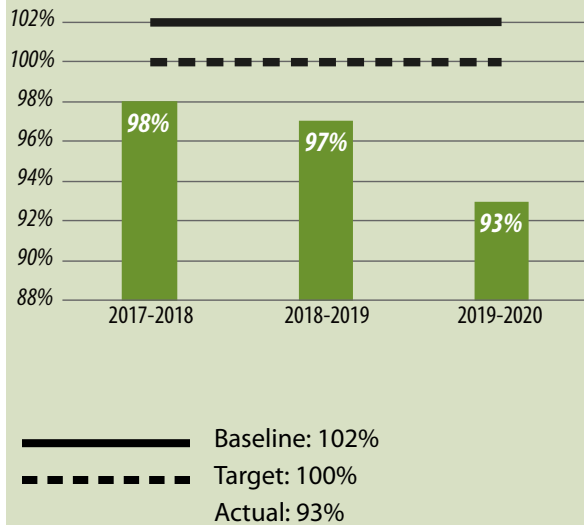
Description of measure

The ratio measures whether the department is over-budget or under-budget on expenditures. The ratio will exceed 100 per cent when expenses are over-budget and be less than 100 per cent when under-budget.

Overall performance

The department was successful in managing expenditures to be under-budget.

Ratio of actual to budgeted expenditures



Why do we measure this?

This indicator measures the ability of the department to manage its overall expenses as compared to budget. GNB must ensure expenses are managed in accordance with the budget and be prepared to take corrective action if expenses are projected to be over-budget during the year.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department was diligent in monitoring spending to find administrative efficiencies and savings.

Affordable and responsive government

Objective of the measure

Innovative delivery of government services

Measure

Number of ASD advisory services engagements completed

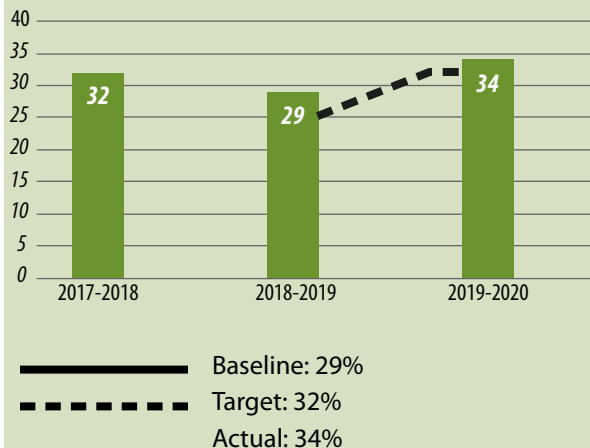
Description of measure

This measure is a count of the number of ASD engagements completed annually across government.

Overall performance

The team exceeded the target number of assessments for 2019-2020. This result is driven by overall project management performance; staff vacancy rate; and project size, complexity and strategic priority.

Number of ASD advisory services engagements completed



Why do we measure this?

Measured by the Corporate Services division; ASD engagement/assessment benefits vary significantly by project, but typically lead to one or more of the following opportunities for government: cost savings, cost avoidance, revenue, risk, mitigation, and/or improved program outcomes.

Energized private sector

Objective of the measure

Grow capital investment from the private sector

Measure

Increase tax credit usage (forecast and actual value of Small Business Investors Tax Credit/Community Economic Development Corporation investments).

Description of measure

As a result of a government commitment, amendments were made to the *Small Business Investors Tax Credit Act* to increase the tax credit to 50 per cent for investments made by individuals in New Brunswick small businesses that qualify under the program.

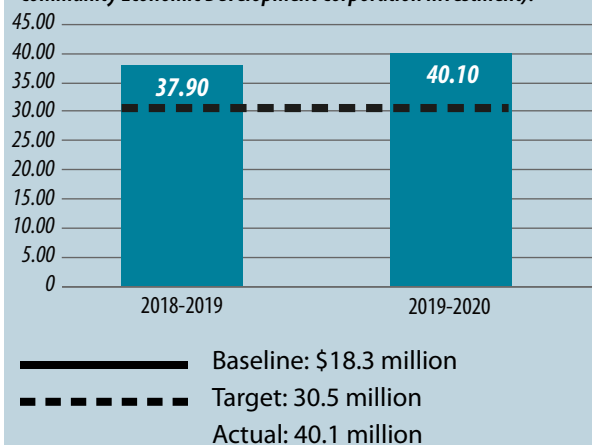
Overall performance

The amendments to the *Act* continued to result in strong participation and investments in the program. Investments for the 2019 taxation year totaled \$40.1M. As a result, the total value of tax credits issued for taxation year 2019 is \$19.5M (\$19.3M for individuals and \$200,000 for corporate/trust).

The number of investors was 811 (individuals and corporate/trust) demonstrating that the program is better known to the investment community and is becoming more recognized as an effective tool to raise capital investments.

Increase tax credit usage

(forecast and actual value of Small Business Investor Tax Credit/Community Economic Development Corporation Investment).



Why do we measure this?

With the proclamation of the change to the *Act* and the regulation to include investors in community economic development corporations and cooperatives, more New Brunswickers are aware of this tax credit program. The department is measuring this to determine New Brunswickers' awareness of the Small Business Investor Tax Credit.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department provided information sessions upon request to organizations across the province to promote the program.

High-performing organization

Objective of the measure

Results driven workforce

Measure

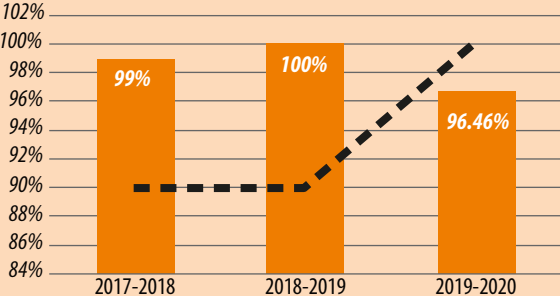
Percentage of employee workplans established and reviewed.

Description of measure

The preparation of an employee performance agreement, Section 1 of the “performance agreement”, at the beginning of the performance review period will provide an opportunity for managers and employees to identify, agree and set work objectives and measures based on priorities and overall business results.

Overall performance

Percent performance agreements established and aligned to priorities



— Baseline: S.O.
- - - Target: 100%
Actual: 96.46%

Why do we measure this?

By preparing performance agreements both strategic and organizational objectives will be cascaded through the organization to increase both organizational and individual performance.

High-performing organization

Objective of the measure

Health and safety culture

Measure

Recordable incident rate

Description of measure

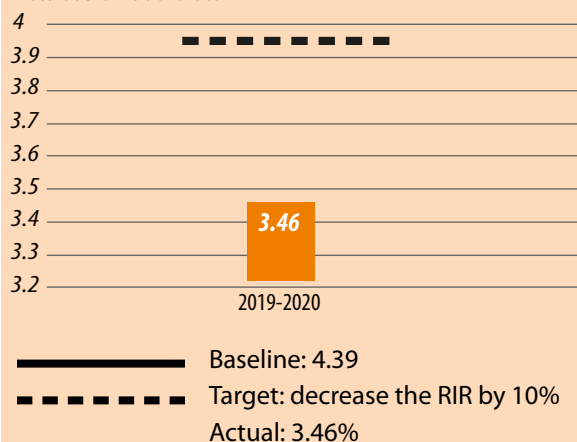
The Recordable Incident Rate (RIR) is a primary indicator of safety performance. RIR describes the number of employees per 100 full-time employees that have been involved in a recordable injury or occupational illness in a twelve-month period. It is a metric that allows an organization's safety performance to be compared against a provincial, national or industry average.

Overall performance

A 21 per cent decrease in the RIR was realized in this period. Significant focus was placed on improving the reporting and the investigation of workplace incidents, as well as improving safety communication in GNB workplaces.

A sustained focus on prevention initiatives across all departments and the timely and thorough follow-up when incidents do occur, is essential for continued improvement in safety performance.

Recordable incident rate



Why do we measure this?

Most organizations in North America use Recordable Incident Rate as a safety indicator. Recordable Incident Rate has been calculated for all Part I Departments in order to measure improvement. A decrease in Recordable Incident Rate indicates an improvement in the department's health and safety culture.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

- Designed and deployed a new process for *Incident investigation* including development of tools, tracking and supported the training of in-house investigators.
- Improved incident reporting processes.
- Launched training for people leaders on 'Delivering Effective Safety Communication' and 'Workplace Incident notification and Investigation'.
- Launched a Safety Talk program to support improvement in health and safety communication.
- Developed a Health and Safety Dashboard for Work-SafeNB, Sick and LTD leaves.

High-performing organization

Objective of the measure

Health and safety culture

Measure

Days lost to injury

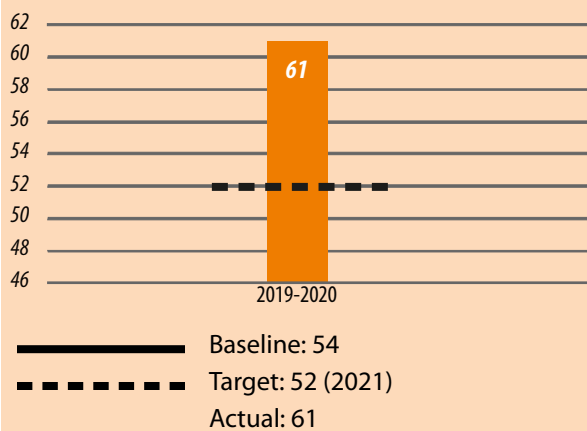
Description of measure

This measure focuses on the reduction of the total days lost due to injury in Part I GNB. The days lost due to injury represents significant productivity lost annually, impact on employee experience and increased costs due the need to hire replacement workers.

Overall performance

The average days lost for this period did not show a reduction towards the target. Establishment of the new disability management unit was made at the end of this fiscal period. This dedicated support will be required for departments to realize reductions.

Days lost to injury



Why do we measure this?

The longer an employee is absent from work due to injury or occupational illness, the less likely they will return to work. The design and implementation of consistent return to work practices will support the reduction in average days lost per lost time claim.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

- Implemented a new Workplace Accommodation policy and provided training to human resources staff.
- Decision made to establish and staff a centralized disability management unit to support implementation of the new policy and support reduction in days lost from work due to illness or injury.

High-performing organization

Objective of the measure

Enhance employee involvement, commitment and productivity

Measure

Total number of paid sick days used (Part 1)

Description of measure

In 2012, GNB set a goal to reduce sick leave usage by 20 per cent in government by March 31, 2015. The department of Finance and Treasury Board continues to monitor this metric to ensure sustainability (and re-introduce improvement initiatives if needed) and ongoing comparison across jurisdictions.

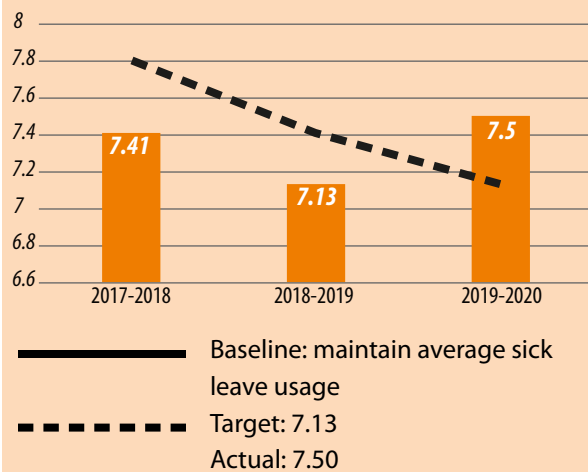
Overall performance

Overall performance is measured by the average number of paid sick days used in the fiscal year. GNB saw a slight increase in sick day usage with an average of 7.5 days in Part 1.

Why do we measure this?

Finance and Treasury Board will continue to monitor this metric to ensure sustainability and ongoing comparison across jurisdictions.

Total number of sick days used (Part 1)



Overview of departmental operations

The Department of Finance and Treasury Board is a central agency of the Government of New Brunswick.

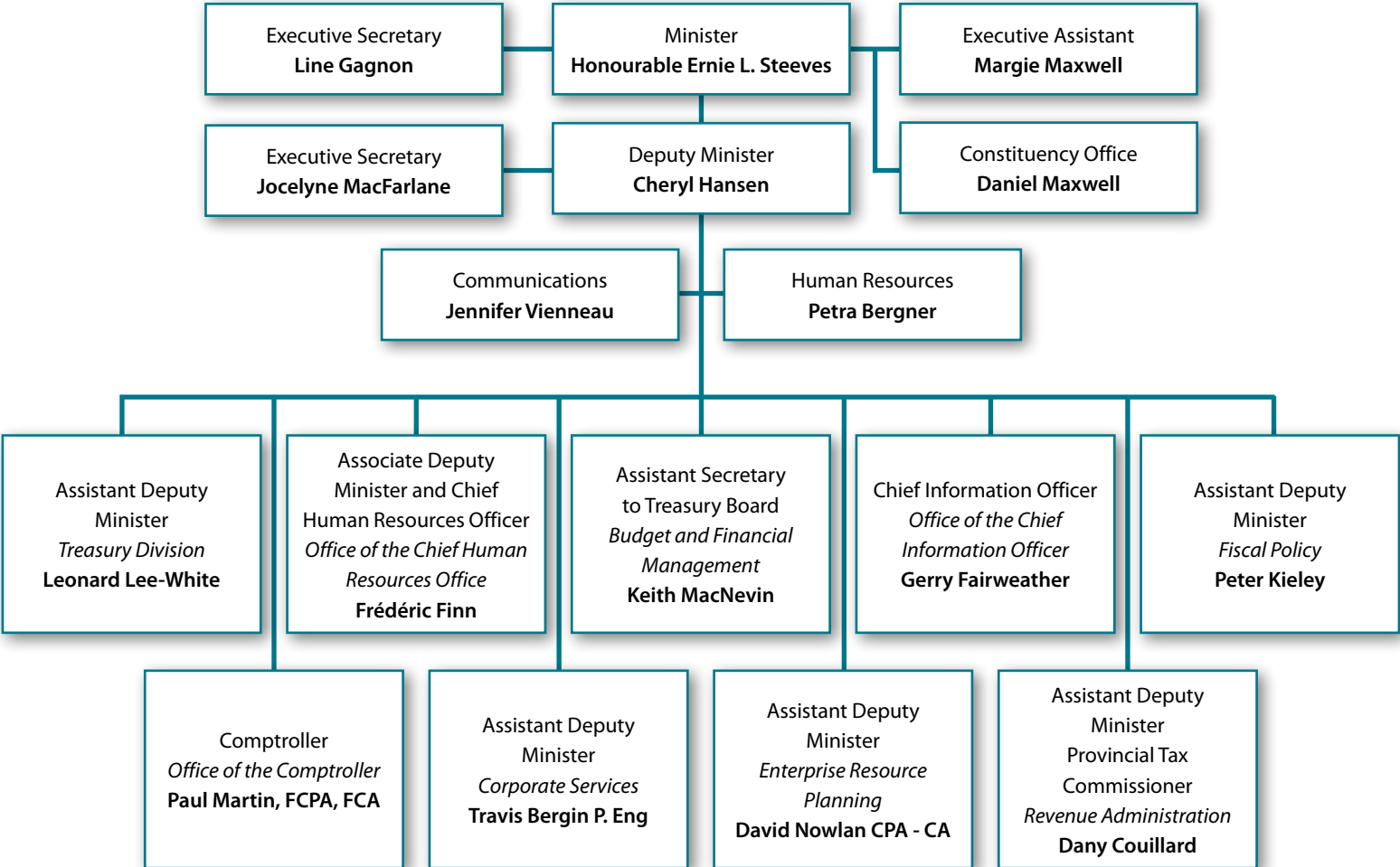
The department is responsible for human resources; expenditure management and fiscal oversight; agency relations; fiscal and tax policy; revenue administration; the Treasury, which manages and administers cash resources and all investments and debt managements activities of government; support in the development of the Enterprise Resource Planning System, and the Office of the Chief Information Officer (OCIO) and information management.

The Minister of Finance and Treasury Board is also the Chair of the Treasury Board Cabinet Committee. The Deputy Minister is also the Secretary to the Treasury Board Cabinet Committee.

Finance and Treasury Board supports the Executive Branch of government in its decision-making and provides strategic direction regarding government’s human resources, finances, risk, technology and information to client departments and organizations.

High-level organizational chart

Executive Finance and Treasury Board Team



Division overview and highlights

Budget and Financial Management

Overview

The mission of the **Budget and Financial Management Division** is to promote the effective and efficient use of the financial resources of government and to provide secretariat services to the Treasury Board.

This is achieved through two core business areas: Budget Preparation and Expenditure Monitoring; and Treasury Board Secretariat services.

The **Budget and Expenditure Monitoring Branch** plays a key role in developing expenditure budgets and implementing multi-year expenditure plans in keeping with the stated fiscal objectives of the government. These plans are continually monitored so that changes in the fiscal forecast can be anticipated and responded to appropriately.

The **Treasury Board Secretariat Branch** provides secretariat services to the Treasury Board and acts as the liaison between the board and government departments and agencies. Employees of the division consult with departments and agencies on issues that are to be brought to the attention of the board. These issues are analyzed to assess financial and human resource implications, and to determine any additional information that board members may require to make informed decisions.

Highlights

- ◆ Coordinated the preparation of the 2020-2021 capital estimates tabled on December 10, 2019 and the main estimates tabled on March 10, 2020.
- ◆ Supported the Fiscal Policy Division in the preparation of the budget speech.
- ◆ Prepared quarterly fiscal updates in cooperation with the Fiscal Policy Division and the Office of the Comptroller; and completed the expenditure analysis to prepare the major variance section of the province's financial statements.

- ◆ Provided secretariat services to approximately 90 Treasury Board meetings, several which were joint meetings with other Cabinet Committees, resulting in 278 decisions being issued to departments and agencies. This compares to 60 Treasury Board meetings and 184 decisions being issued in the previous year.

Office of the Comptroller

Overview

The Office of the Comptroller provides leadership in accounting, internal auditing and enterprise risk management services to various government organizations to encourage the effective management of government resources.

The Comptroller is the chief accountant and internal auditor for the Government of New Brunswick. The Comptroller reports to the Deputy Minister of Finance and Treasury Board and is required under the *Financial Administration Act* to:

- control the processing of all accounting transactions relating to the operations of the Consolidated Fund of the province and report on the results of these operations on behalf of the Minister of Finance and Treasury Board; and
- provide assurance that management systems, procedures and internal controls operate economically and efficiently and that program results are achieved through effective compliance with established legislative authority, policies, plans and regulations.

The Office of the Comptroller consists of Administration Services, Accounting Services, Audit and Consulting Services and Enterprise Risk Management.

Administration Services consists of the Comptroller and administrative support. This section gives overall direction to the office in carrying out the legislated responsibilities of the Comptroller. In addition, this section provides secretarial and information management support for the office.

A primary responsibility of Accounting Services is the preparation of the annual financial statements of the Government of New Brunswick, including the publication of both volumes of the Public Accounts and supplemental information on the department's website.

Accounting Services is responsible for the ongoing operation of corporate financial systems used to record the transactions reported in the consolidated financial statements of the Government of New Brunswick.

Accounting Services provides accounting advice to departments, Finance and Treasury Board, staff and government agencies; interpretation of emerging accounting standards and their impact on the Government of New Brunswick; and information for the prospectus for Government of New Brunswick bond issues. In addition, Accounting Services operates and maintains the corporate financial information system.

Audit and Consulting Services assists GNB in managing public resources by providing various internal assurance and consulting services as well as identifying opportunities for operational efficiencies and cost savings. Assurance reviews include: financial audits, compliance audits, information systems audits, operational (performance) reviews, and forensic accounting reviews. Consulting services include providing advice and consultation related to the assessment, analysis, impact and mitigation of risk across a variety of projects, program areas and departments.

The **Enterprise Risk Management** section of the Office of the Comptroller encourages risk management excellence in government through leadership, guidance, monitoring, review and reporting.

Highlights

- ◆ Prepared annual reporting of the Public Accounts, Volumes I and II.
- ◆ Provided quarterly public reporting of senior executive travel.
- ◆ Provided reporting and support to the government audit committee.

- ◆ Conducted performance audits in support of strategic priorities.
- ◆ Participated in the annual federal, provincial and territorial Comptrollers' conference and the Eastern Comptrollers conference.
- ◆ Participated as a member on the CPA Canada, Public Sector Accounting Discussion Group

Key Performance Indicator

- ◆ Issuance of the March 31, 2019, annual audited financial statements by September 30 as set out in legislation.

Office of the Chief Human Resources Officer (OCHRO)

Overview

The Office of the Chief Human Resources Officer (OCHRO) provides strategic direction and policy, program and accountability framework for the recruitment, compensation, development, safety, wellness and management of, and relationship with, GNB's workforce.

OCHRO provides advice and support to the Treasury Board Cabinet committee in fulfilling its statutory responsibilities, powers and duties as the employer for Parts I, II and III of the Public Service under the authorities of the *Financial Administration Act* and the *Public Service Labour Relations Act*. In addition, OCHRO oversees the human resource management functions in GNB.

OCHRO also provides advice and support to the Treasury Board Cabinet committee and to the Secretary to Treasury Board in fulfilling their respective statutory responsibilities, powers and duties under the authorities of the *Civil Service Act*. In addition, OCHRO oversees the recruitment and employee development functions in GNB, the application of the merit principle for appointments, and the integrity of hiring practices.

The division includes 52 positions organized in three branches: Employee Relations Branch, Total Compensation and Benefits Branch, and Talent, Organizational Development and Wellness Branch.

The **Employee Relations Branch** is responsible for leading all collective bargaining and provincial-level labour management activities with the 25 bargaining units across Parts I, II and III of the Public Service. The branch is also responsible for grievance arbitrations for bargaining and non-bargaining employees; managerial and confidential exclusions from collective bargaining; the designation of essential services in the events of strike; and strike management. In addition, the branch provides, as required, specialized consulting services and advice to Treasury Board and Cabinet respecting labour relations matters for Part IV of the Public Service and the broader public sector.

The **Total Compensation and Benefits Branch** is responsible for the terms and conditions of employment for management and non-bargaining employees, deputy ministers and ministerial staff. The branch establishes the job classification systems and framework for Parts I, II and III of the Public Service and conducts job evaluation and pay equity studies. The branch is also responsible for pay plans; compensation and other human resources related policies (e.g. paid and unpaid leaves); and for corporate research and business intelligence, such as wage bill, workforce size, and absenteeism. The policy and governance responsibilities for government sponsored pension and employee benefits plans also reside within this branch.

The **Talent, Organizational Development and Wellness Branch** is responsible for the policies, programs and processes for appointments to the civil service pursuant to the *Civil Service Act*, including the oversight of the merit-based principle and the integrity of hiring practices. The branch is also responsible for the broader scope of policies and programs to foster a positive employee experience such as recruitment and staffing, employee experience through leadership development, performance management, official languages, workplace equity and diversity, workplace accommodation and disability management, workplace health and safety, and employee wellness across Part I of GNB.

Highlights

- ◆ Designed and deployed a new process for workplace accident investigations including development of tools, tracking and supported the training of over 100 in-house investigators and developed a health and safety dashboard for workers' compensation, sick and long-term disability leaves.
- ◆ Launched new policies, training and programming for *Respectful Workplace and Prevention of Workplace Violence*.
- ◆ Developed and launched a *Mental Health Learning Series* to support positive mental health in the workplace.
- ◆ Conducted the 2019 GNB employee experience survey which had a 66 percent response rate (over 8,000 employees) compared to 45 percent response rate in 2018 and 32 percent in 2017.
- ◆ In March 2020, critical work was launched to support GNB's COVID-19 pandemic response including health and safety support and guidance, adapting and interpreting human resource policies, developing a process for addressing critical staffing needs, working with unions towards staffing mobility agreements and establishing a communication process to provide GNB with timely updates.
- ◆ Negotiated GNB Workforce Mobility agreements with all public sector union groups in Parts I to IV to allow GNB to deploy its workers to critical operations during the response to the COVID-19 pandemic.

Grievances

- The Employee Relations Branch is responsible for receiving the referral of unresolved grievances to adjudication and further pursuing their resolution or, in cases where there is no resolution, their hearing at adjudication. The following table summarizes the adjudication activity in 2019-2020.

	Referrals to adjudication carried from previous years	New referrals to adjudication	Grievances withdrawn or settled	Adjudication decisions rendered
Part I	342	7	52	4
Part II	139	1	62	2
Part III	381	17	129	4
Total	862	25	243	10

Key Performance Indicators

♦ Measuring Safety Performance:

To support the objective of improving the culture of safety and reducing the number of workplace incidents the Recordable Incident Rate (RIR) and Average Days Lost per Lost Time Claim were established as KPIs for Part I Departments.

- Recordable Incident Rate: The RIR represents the number of employees per 100 who had a workplace incident in a 12 month period. The Part I RIR for the 2019 calendar period was 3.46, a decrease over the 2018 rate of 4.37.
- Average days lost per lost time claim: In 2018 the Part I average was 55 days lost per lost time claim. The rate increased to 61 days for the 2019 calendar period.
- ♦ Employee Net Promoter Score (eNPS): eNPS measures employee loyalty, which is a product of the workplace culture. It measures the likelihood of whether an employee would be willing to recommend their organization as a place to work. eNPS is calculated, using the annual employee experience survey by subtracting the percentage of detractors (answered “neither agree or disagree, disagree or strongly disagree”) from the percentage of promoters (answered “strongly agree”) when asked if they would recommend their organization as a place to work. The scoring scale spans from -100 to +100. GNB’s eNPS in 2019 was -16.9 compared to -15 in 2018 and -12 in 2017.

- ♦ Measuring Employee Experience Actions: As part of the evolution of the annual employee experience cycle (which includes collecting feedback via the employee survey and sharing results for discussion with teams) measures now focus on consistent actions that promote positive behaviours around employee experience. Each department has two groups who discuss employee experience at the department level from month to month, and are measured on if these discussions took place – the departmental employee experience team and the Senior Leadership Team. Leaders continue to work with their teams on continuously improving the overall employee experience (and as a result, engagement).

Office of the Chief Information Officer (OCIO)

Overview

OCIO is a division of Treasury Board that focuses on information as a valuable resource. It supports Treasury Board’s vision by “Enabling the delivery of high-value personalized services through technology to citizens and other stakeholders in a seamless, secure, and cost-effective manner,” offering services to clients within government and the public.

Seventy-eight highly-skilled staff members help OCIO support its mandate of “Government-wide strategic leadership, planning and oversight of the management of information, technology, risk, and digital innovation to enable the business of a smarter government.”

The division consists of three distinct branches: Digital Office Branch, Cyber Security Branch, and Provincial Archives and Corporate Information Management.

The **Digital Office (DO) Branch** includes the IT Strategy and Governance Unit, the Digital Transformation Team, the Access to Information Unit, and the Chief Privacy Officer. The branch oversees the Digital NB Strategy and provincial support for compliance with the *Right to Information and Protection of Privacy Act* (RTIPPA). The branch performs these functions through: the strategic alignment process, participation on project specific steering committees, as a champion for access, privacy and digital innovation within government, setting strategic direction, and developing partnered strategies

with internal and external stakeholders. A specialized digital transformation team provides innovative digital solutions for GNB departments to improve and modernize the delivery of their services.

The **Cyber Security Branch** was formed as a direct result of the focus on Cyber Security in the Digital NB Strategy. The branch performs governance, monitoring and policy creation for GNB in information security while also offering operational services in the areas of forensics, vulnerability assessments, and incident response. A Cyber Security Strategy has been developed to support this work.

The **Provincial Archives and Corporate Information Management Branch** offers public-facing services to meet the government's obligations under the *Provincial Archives Act*. To do so, it collects, preserves, and makes available for research, documents and records bearing upon the history of New Brunswick. The Provincial Archives provides information and authentication for Government and NB citizens across a wide variety of sectors. Generally thought of as only serving heritage industries, the Archives is equally a supply chain for the legal, construction, tourism, local governments, non-profit, and media businesses.

A unit of the Provincial Archives – the **Corporate Information Management Unit** - provides advice and assistance in records and information management to all government departments, agencies, corporations, and commissions. Under provincial legislation, records management policies, and procedures apply to all records, in any form, which are created or received in the administration of public business.

Highlights

- ◆ *Digital New Brunswick Strategy* – Scorecard results as a result of tracking the progress for thirty-eight Digital NB activities for the fiscal year was 89 per cent overall.
- ◆ *GNB Protection of Privacy Policy (Part I)* – OCIO developed the new GNB Protection of Privacy Policy and directive for Part I of the New Brunswick Public Service. It was approved by Treasury Board in March and came into effect on April 1.
- ◆ Centralized Information Management unit assisted OCHRO in implementing a Records Management program for their paper records.
- ◆ *Cybersecurity training* – New mandatory cyber security training has been rolled out to 90 per cent of GNB Part I employees. Additionally, OCIO established a monthly cyber security update to all GNB employees with helpful cyber security tips.
- ◆ *Business Continuity Planning (BCP)* – BCP updates were accelerated in response to the COVID-19 pandemic. As a result, 90 per cent of GNB BCPs were current by the end of the fiscal year. OCIO also helped with the development of BCP tools for pharmacies across New Brunswick.
- ◆ *Major risk assessments* – OCIO partnered with Bulletproof Solutions on a Cyber Maturity Assessment (CMA) which focused on people and processes. OCIO also hired Bell to conduct a technology focused Threat Driven Risk Assessment (TDRA) to assess vulnerabilities in the GNB network. The results of both assessments were used to help drive OCIO Cyber Security workplans.

Key Performance Indicators

- ◆ The Digital NB scorecard tracks progress on activities which advance the Digital NB Strategy. The table below contains the total progress for each strategic area:

Digital NB Strategic Area	% Complete 2019-2020
Re-imagined Services and Programs	100%
People Powered	84%
Information As A Game Changer	75%
Business & Technology Modernization	100%
Enterprise Risk Management	90%
Cyber Safe	81%
Success Through Leadership	92%
Total Progress	89%

- ◆ Digital Transformation Projects – OCIO partnered with GNB departments on several projects including a COVID-19 web page, the New Brunswick Economic Dashboard, the new GNB Intranet pilot, and the OCIO Cyber Security and Security Directives webpages. The team was also a key resource in the creation of the Exposure Notification application for the Department of Health to assist in contact tracing for the province.

- ◆ Request for Proposal (RFP) Feedback to departments:

	2016-2017	2017-2018	2018-2019	2019-2020
Number of RFP's	28	39	16	7
Dollar value	\$3,475,965	\$21,820,000	\$25,083,949	\$52,339,486

- ◆ RTIPPA Statistics

		2017-2018	2018-2019	2019-2020
Total Number of Requests		67	73	60
Number of requests by response type	Granted	17	19	11
	Partially granted	17	21	13
	Denied	16	2	6
	Other (e.g., Transferred, Withdrawn, Ongoing, etc.)	17	31	30

* The Department of Finance joined with the Treasury Board effective April 1, 2019. Data for comparison years were combined to reflect the total between the two departments, to provide greater comparability. Original data for these departments can be found in the Annual Reports for the respective reporting years.

- ◆ Privacy

Description	Frequency	Annual Results	
% of privacy training completed of the 2 sessions per year	Annual (fiscal 2019/20)	50%	Training was provided once in 2019-2020.
% Customer privacy related requests handled on time (within one business day)	Quarterly (fiscal 2019/20)	75%	

◆ Security Monitoring and Reporting –requests serviced:

Services		2018-2019	2018-2019	2019-2020
Monitoring & Reporting	Threat Risk Assessments	3	3	3
	Abbreviated Risk Assessments	7	10	4
	Security Opinions	17	18	25
	Forensics Investigations	14	8	10
	Vulnerability Scans	12	25	16
	Penetration Testing	2	3	7
	Business Continuity Planning Requests	0	10	42
	Security Operations Centre Requests	16	23	6
	Security Operations Centre Incidents	554	606	910*
	Number of Staff	6	8	8

* Due to the transition from SOC moving from outsourced to insourced, this number was prorated based on the available data

◆ Provincial Archives Statistics:

Performance indicators		2017-2018	2018-2019	2019-2020
Monitoring & Reporting	Retrievals (archives)	9,643	8,694	8,229
	Research visitors PANB	2,872	2,881	2,504
	Research inquiries	3,433	3,476	3,250
	Page views	23,969,990	23,014,628	24,153,824
	Unique visitors	324,191	396,355	268,723
	Digital conversions (pages)	8,453	33,571	131,025
	Records Centre retrievals to departments	9,217	8,385	10,252
	Records Centre boxes in	10,747	9,323	7,458
	Records Centre boxes eliminated	6,474	4,609	6,563
	Boxes to Government Records unit	1,896	1,024	1,750
	Direct GNB transfers to Government Records unit	1,170	864	819
	Outreach events attended	60	61	56
	Accessions Private Sector	254	280	237
	Monetary Appraisals	66	47	63
	Preservation treatments	8,500	6,000	3,000
	Conservation treatments	350	300	175

Revenue Administration Division

Overview

The **Revenue Administration Division** ensures fair, effective and efficient administration of tax and regulatory programs. It offers policy and information in respect to federal-provincial-territorial tax administration relations. It participates on several inter-jurisdictional committees on issues of common interest and works in close collaboration with the Canada Revenue Agency (CRA). The division also provides timely information pertaining to tax revenue forecasts and estimates for main estimates. The division consists of the Research and Tax Administration Policy Branch, the Account Management, the Audit and Investigation Services Branch and the Revenue Accounting Unit.

The **Research and Tax Administration Policy Branch** ensures legislative compliance of assigned revenue and taxation statutes associated with real property and consumption taxes. Key responsibilities include the analysis of tax application issues; provision of interpretations and advice; and the development of legislative amendment proposals.

The **Account Management Branch** is responsible for the effective delivery of assigned revenue and taxation programs associated with real property and consumption taxes. Key responsibilities include registration and licensing of businesses; billing and collection of real property taxes; processing of tax returns and refund claims; accounting functions related to revenues; development and implementation of legislative amendments; and provision of critical program support and expert advice relative to the administration of tax programs.

The **Audit and Investigation Services Branch** provides audit, assurance and refund verification functions as well as education, inspection and information regarding program services. The branch provides compliance monitoring of business activities under the assigned acts, within the department and on behalf of other departments and agencies.

The **Revenue Accounting Unit** is responsible for forecasting and reporting for all revenue sources administered by the Revenue Administration Division as well as two expenditure programs related to revenues under General Government. The unit is also responsible for year-end

activities, monitoring financial controls within the division and performing financial analysis on programs when required.

Highlights

The Research and Tax Administration Policy Branch:

- ◆ Identified more than 700 cases of tax evasion with respect to vehicles assessed under the *Harmonized Sales Tax Act*.

The Account Management Branch:

- ◆ The newly implemented online quarterly tax reporting for licensed International Fuel Tax Agreement (IFTA) carriers has continued to be successful in its second year, increasing to 63 per cent of all eligible carriers being signed-up for the service, in turn easing administrative burdens and reducing errors.
- ◆ The branch successfully completed three tax sales. 966 properties were involved in the tax sale process, for which more than \$4M in outstanding taxes were collected.

The Audit and Investigation Services Branch:

- ◆ The branch successfully completed a total of 356 fuel tax audits or investigations. 160 educational files were completed for fuel consumers, retailers and wholesalers. 32 fuel tax refund requests were reviewed and the refunded amounts were reduced by over \$90,000. Most of exempt fuel sales made in New Brunswick were reviewed as part of the annual restricted audits on the Fuel Collectors to ensure they were made to qualifying consumers. 74 Fuel Collector audit units were completed for a total recovery of over \$800,000.
- ◆ As part of the continued focus to ensure compliance with the Tangible Personal Property Tax under the provincial *Harmonized Sales Tax Act*, the audit unit completed 332 investigations and 509 audits during the 2019-2020 fiscal year. Based on these files, an additional tax amount of \$447,490 was assessed.

The Revenue Accounting Unit:

- ◆ Implemented all of the recommendations from the Auditor General 2018-2019 Property tax audit, including improving controls around write-offs and further analysis of provision for losses.

Fiscal Policy Division

Overview

The **Fiscal Policy Division** provides information, analysis and policy advice in regard to taxation, fiscal and budget policy, federal-provincial fiscal relations and the economy. The division analyzes and provides advice on tax matters and designs and implements GNB's tax policies. It has responsibility in the development and monitoring of the budget plan and multi-year fiscal framework; coordinates the preparation and production of the annual budget speech and fiscal and economic reports; and monitors and reports on GNB's economic performance. The division also has responsibility for economic and revenue forecasting, provision of statistical data and analysis and federal-provincial consultations with respect to tax matters, programs under the *Federal-Provincial Fiscal Arrangements Act* and the Canada Pension Plan (CPP).

The division consists of the Fiscal, Economic and Statistical Analysis Branch and the Tax Policy Branch.

The **Fiscal, Economic and Statistical Analysis Branch** undertakes economic and revenue forecasting, monitoring and analysis and contributes to the protection of GNB's financial interests by providing information, analysis and policy advice. It provides socio-economic and demographic research, analysis and information services to the government and departments. The branch is involved in the development and monitoring of the budget plan and multi-year fiscal framework; preparation of the budget documents and fiscal and economic reports; and coordinating GNB's overall revenue forecast. It is involved in intergovernmental consultations on major federal transfer programs including equalization, health and social program transfers, and the CPP.

The **Tax Policy Branch** researches and analyzes tax policy issues. It provides information, undertakes analysis, develops options and provides advice on tax matters, and it implements legislative measures in support of GNB's tax policy priorities. The branch's responsibilities

include federal-provincial consultations on tax matters and negotiation with the federal government respecting Canada-New Brunswick taxation agreements.

Highlights

- ◆ Release of the 2018 Economy in Review, quarterly economic and fiscal updates, pre-budget consultation paper and the 2020-2021 Budget and related documents.
- ◆ Brought forth legislation to support tax changes including the reintroduction of the New Brunswick tuition tax credit, protecting New Brunswick businesses from changes to the tax treatment of passive income, a carbon-emitting products tax and reductions to gasoline and motive fuels tax.
- ◆ Worked collaboratively on the made-in-New Brunswick carbon plan.
- ◆ Developed and launched an economic dashboard on the Finance and Treasury Board website.
- ◆ Released publicly, for the first time, a summary of tax expenditure programs in the province.
- ◆ Appeared before the Law Amendments Committee on the assessment and taxation of heavy industry.

Treasury Division

Overview

The **Treasury Division** is responsible for financing GNB and Crown corporations, managing the Consolidated Fund and the Service of the Public Debt, investing and administering various dedicated funds as well as providing financial and risk management policy analysis and advice. The division consists of the Capital Markets Branch and the Banking and Cash Management Branch.

The **Capital Markets Branch** is responsible for developing annual long-term debt borrowing strategies and securing, negotiating, executing, settling and reporting of debenture debt. This includes execution and management of related instruments as necessary, such as interest rate and foreign currency hedges, derivatives and hedges. Integral to Debt Management are ongoing stakeholder and investor relations and communications. The branch is

responsible for developing policies, strategies, investing and reporting for sinking and trust funds and providing financial and accounting policy analysis and advice.

The **Banking and Cash Management Branch** is responsible for the management and reconciliation of the cash flow for the Consolidated Fund and various dedicated funds. The branch acts as the receiver of revenue for GNB; initiates foreign exchange transactions; issues short-term debt in the form of Treasury Bills; negotiates and manages banking arrangements; operates Crown financing corporations; forecasts Service of the Public Debt; ensures interest and principal payments on debt are made on a timely basis; liaises with credit rating agencies; and provides financial policy analysis and advice.

Highlights

- ◆ The division successfully managed the province's cash needs during the pandemic.
- ◆ The service of the public debt was \$34.5M lower than the budgeted \$677.0 due to higher short-term interest earned and lower than forecast long-term borrowing.
- ◆ The long-term borrowing program raised over \$1.91B (Canadian currency equivalent) to fund the province and NB Power in 2019-2020. The program executed two Swiss Franc (CHF) debenture offerings totalling \$250M CHF to diversify the funding program and the province's investor base. All foreign currency debentures were exchanged into Canadian dollar obligations to reduce risks and financed at competitive rates.
- ◆ Successfully completed all financial reporting requirements for the sinking funds and trust funds.
- ◆ The Investor Relations included group and individual presentations to investors in Toronto, Montreal, Vancouver and Victoria.

Corporate Services

Overview

The Corporate Services division is comprised of the six units: Policy and Performance Excellence; ASD Advisory Services; Innovation and Design Services; Agency Relations; Regulatory Services; and Financial Services.

The **Policy and Performance Excellence unit** is responsible for strategy development and implementation, as well as monitoring and reporting on strategic plans and government priorities. The unit also provides legislative coordination, policy and planning services, and process documentation coordination. In addition, the unit is responsible for providing guidance and coaching in the development and execution of the department's strategic plan and to provide Lean Six Sigma process improvement support. The unit also provides internal communications guidance and support, coordinates employee engagement events and activities, and develops associated strategies and materials.

The **ASD Advisory Services** unit collaborates with clients and subject matter experts across government to evaluate program delivery models, complete due diligence on major expenditure decisions and explore revenue generation opportunities.

The **Innovation and Design Services** unit offers employees and teams a collaborative approach to problem-solving through facilitation services, professional development opportunities and a co-working space.

The **Agency Relations unit** is responsible for policy direction and oversight of the provincial agencies operating in the gaming, beverage alcohol and retail cannabis sectors that provide more than \$330M in annual revenue to the province. The unit has operational responsibilities for two Crown corporations- the New Brunswick Lotteries and Gaming Corporation (NBLGC) and the Cannabis Management Corporation (CMC). The NBLGC was established under the *Gaming Control Act* as the conduct and manage entity responsible for provincial gaming activities and is the New Brunswick shareholder in Atlantic Lottery Corporation (ALC). The unit provides secretariat services to the board of directors of the NBLGC and manages its day-to-day operations, including managing the casino service provider agreements with two private service providers, the relationship with ALC and gaming revenue sharing arrangements with First Nations. The CMC was

established by the *Cannabis Management Corporation Act* to organize, conduct and manage the purchase, distribution and sale of recreational use cannabis in New Brunswick. The unit provides secretariat services to the board of directors of CMC and is responsible for the management of the service provider agreement with Cannabis NB for the operation of the retail cannabis network in the province.

The **Regulatory Services unit** provides support and manages the accountability relationship with agencies that report to the Minister of Finance and Treasury Board, including the Financial and Consumer Services Commission of New Brunswick (FCNB).

The **Financial Services unit** provides accounting services, financial advice, analysis, asset management, risk management and financial monitoring and reporting services for multiple departments and agencies. It ensures that annual budget development is consistent with the policies, priorities and spending targets defined within GNB's fiscal framework and is responsible for the preparation of the annual budget reporting materials.

- ◆ Hosted 168 participants in Innovation 101 and 201 workshops to improve innovation literacy.

Key Performance Indicators

- ◆ Number of RTIs completed in 30/60 days.
 - ◆ Number of project reports completed and implemented.
 - ◆ Percent participation in Rapid Fire Orientation.
-

Highlights

- ◆ Facilitated or provided Lean Six Sigma Black Belt or Green Belt support to 32 continuous improvement projects or initiatives, in areas such as: Health and Safety, Diversity and Inclusion, and Talent Development.
- ◆ Coordinated 61 requests under the *Right to Information and Protection of Privacy Act*.
- ◆ Responded to 41 requests under the *Right to Information and Protection of Privacy Act* within 60 days.
- ◆ Coordinated 74 Memorandums to Executive Council (MECs).
- ◆ Coordinated three successful Rapid Fire orientation training sessions with 95 per cent of new hires successfully completing the orientation within six months of their start date.
- ◆ Completed approximately 34 ASD Advisory Services assessments.

Financial information

	Total Budget	Actuals 2019-2020	Variance	% of Budget
OCHRO	12,445,114	11,337,469	1,107,645	91%
OOC	3,134,497	3,191,932	(57,435)	102%
OCIO	6,732,064	6,662,640	69,424	99%
Budgets	924,337	838,226	86,111	91%
Corporate Services	4,177,853	3,694,450	483,403	88%
Treasury Division	1,663,000	2,118,534	(455,534)	127%
Fiscal Policy	1,579,000	1,436,183	142,818	91%
Revenue Administration	5,536,000	4,512,482	1,023,518	82%
Finance & Treasury Board	\$36,191,865	\$33,791,916	\$2,399,949	93%

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2019-2020 for Finance and Treasury Board.

Number of permanent and temporary employees as of Dec. 31 of each year		
Employee type	2019	2018*
Permanent	403	270
Temporary	45	23
Total	448	293

*Note: 2018 figures represent two departments (Treasury Board and Department of Finance) that merged into Finance and Treasury Board for 2019 – 2020 fiscal year.

The department advertised 44 competitions, including 33 open (public) competitions and 11 closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the department made the following appointments using processes to establish merit other than the competitive process:

Appointment type	Appointment description	Section of the Civil Service Act	Number
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> – a high degree of expertise and training – a high degree of technical skill – recognized experts in their field. 	15(1)	0
Equal Employment Opportunity Program	Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities.	16(1)(a)	1
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness.	16(1)(b)	4
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school boards) and 3 (hospital corporations) of the Public Service.	16(1) ou 16(1)(c)	11
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service.	16(1)(d)(i)	2
Regular appointment of students/apprentices	Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service.	16(1)(d)(ii)	0

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the Deputy Head of Department of Finance and Treasury Board and no complaints were submitted to the Ombud.

Summary of legislation and legislative activity

Bill #	Name of legislation	Date of Royal Assent	Summary of changes
19	<i>An Act Respecting the Assessment Act, the Real Property Tax Act and the Real Property Transfer Tax Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-11.pdf	June 14, 2019	These amendments were introduced in response to the Auditor General's recommendations and will define what is an "error" as well as separate the Real Property Assessment Notice from the Real Property Tax Notice.
21	<i>An Act to Amend the New Brunswick Income Tax Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-13.pdf	June 14, 2019	These amendments will allow the New Brunswick tuition tax credit to be claimed on the 2019 income tax return that is filed in 2020. The amendments will also allow tuition amounts paid in 2017 and 2018 to be available to be claimed for tuition tax credit purposes in 2019 and subsequent taxation years.
22	<i>An Act to Amend the New Brunswick Income Tax Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-14.pdf	June 14, 2019	As announced in the 2019-2020 Budget, the bill proposes to not adopt the federal measures that restrict access to the small business tax rate on active business income based on the amount of passive income, effective January 1, 2019 and subsequent taxation years.
35	<i>Cooperatives Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-24.pdf	June 14, 2019	The new <i>Cooperatives Act</i> will enhance access to capital for the cooperative sector by providing cooperatives with the ability to issue investment shares in addition to membership shares; accommodate housing and worker cooperatives; provide flexibility with governance options and provide modern corporate law approaches in line with the majority of Canadian jurisdictions. This new <i>Act</i> will also reduce administrative red tape and modernize administrative processes.
36	<i>Credit Unions Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-25.pdf	June 14, 2019	The new <i>Credit Unions Act</i> streamlines the credit union regulatory framework and reduces the cost of regulation to credit unions. Objectives of the new <i>Credit Unions Act</i> include: Reducing the number of organizations with oversight on credit unions from 3 to 1. Modernizing the <i>Act</i> based on stakeholder feedback from the statutory five-year review of the <i>Act</i> . Providing FCNB with rule-making authority to deal with administrative and operational issues related to the oversight of the credit unions. This authority will make FCNB a more responsive regulator able to respond in a timely manner to changes in the industry such as new technology, and new financial products and services.
37	<i>Appropriations Act 2019-2020</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-26.pdf	June 14, 2019	The <i>Act</i> closed the main estimates and the capital estimates tabled by the government.

38	<p><i>Supplementary Appropriations Act 2017-2018(1)</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-27.pdf</p>	14 June 2019	<p>There may be paid out of the Consolidated Fund a sum not exceeding in the whole \$67,571,169 to be applied towards defraying the several charges and expenses of the public service, not otherwise provided for, from April 1, 2017, to March 31, 2018.</p>
8	<p><i>An Act to Amend the Gaming Control Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-31.pdf</p>	December 20, 2019	<p>The amendments to the <i>Gaming Control Act</i> seek to provide immunity to the Province, the New Brunswick Lotteries and Gaming Corporation, the Atlantic Lottery Corporation and casino operators operating under an agreement with the Province against potential litigation in regard to the conduct and management of legitimate provincial gaming activities.</p>
9	<p><i>An Act to Amend the Securities Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-32.pdf</p>	December 20, 2019	<p>The amendments to the <i>Act</i> will implement a regulatory regime for financial benchmarks which will be consistent across Canada. It will provide increased powers to self-regulatory organizations (SROs) which are recognized under the <i>Act</i>. Add language prohibiting aiding, abetting and counselling any other person to contravene securities laws and repeal section 190 of the <i>Act</i>.</p> <p>These measures will increase investor protection and enhance capital markets in New Brunswick.</p>
10	<p><i>An Act to Amend the New Brunswick Liquor Corporation Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-33.pdf</p>	December 20, 2019	<p>Amending the <i>New Brunswick Liquor Corporation Act</i> will facilitate the potential change of direction for the operation, distribution and sale of recreational cannabis in the province.</p>
21	<p><i>An Act to Amend the Insurance Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2019/Chap-36.pdf</p>	December 20, 2019	<p>The amendments to the <i>Insurance Act</i> will prohibit the dealing or trading in life insurance policies by third parties and clarify the meaning of "premium" for life insurance policies.</p> <p>These measures will enhance consumer protection and ensure that life insurance contracts are not being used for unintended purposes.</p>
22	<p><i>Unclaimed Property Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-5.pdf</p>	March 17, 2020	<p>The new <i>Unclaimed Property Act</i> will create a program to administer unclaimed monetary property in the province. It will ensure that unclaimed monetary property is dealt with in a fair and responsible manner that both benefits consumers and businesses and other entities that are currently holders of this unclaimed property.</p> <p>This program will protect consumers, relieve businesses of liabilities and inject funds into the economy by returning money to consumers.</p>

30	<p><i>An Act to Amend the Gasoline and Motive Fuel Tax Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-6.pdf</p>	March 17, 2020	<p>The amendments to the <i>Gasoline and Motive Fuel Tax Act</i> will implement the “made-in New Brunswick” carbon price on fossil fuels effective April 1, 2020.</p> <p>New Brunswick is implementing the provincial carbon price as an alternative to the federally-imposed carbon tax under the federal backstop.</p> <p>These amendments are a key step toward achieving this objective.</p>
32	<p><i>An Act to Amend the Gasoline and Motive Fuel Tax Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-7.pdf</p>	March 17, 2020	<p>The amendments to the <i>Gasoline and Motive Fuel Tax Act</i> will decrease the gas and motive fuel tax, as announced in the 2020-2021 Budget, effective April 1, 2020.</p>
36	<p><i>Appropriations Act 2020-2021</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-9.pdf</p>	March 17, 2020	<p>The <i>Act</i> closed the main estimates and the capital estimates tabled by the government.</p>
37	<p><i>Loan Act 2020</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-10.pdf</p>	March 17, 2020	<p>The purpose of this Bill is to provide authority in accordance with Section 4 of the <i>Provincial Loans Act</i> for the Lieutenant-Governor in Council to raise sums of money not exceeding in the aggregate three hundred million dollars.</p>

Name of regulation	Effective date	Summary of changes
Amendment to General Regulation under <i>Pre-arranged Funeral Services Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2019/2019-7.pdf	April 18, 2019	Amendments to the General Regulation under the <i>Pre-Arranged Funeral Services Act</i> to modernized fees, forms, record-keeping requirements, licensing provisions and provisions related to third party services.
Deposit Insurance Regulation under the <i>New Credit Unions Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2019/2019-31.pdf	January 1, 2020	Proclamation of the new <i>Credit Unions Act</i> and the making of Regulation and to maintain the credit union members deposit insurance coverage to the current maximum of \$250,000 per eligible deposit.
Amendments to <i>General Regulation under the Cannabis Management Corporation Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2019/2019-41.pdf	November 27, 2019	To permit the sale of edible, topical and concentrate cannabis products in New Brunswick when they are allowed federally, Government must amend Regulations (2018-59) under the <i>Cannabis Management Control Act</i> to include the three new product classes.
Amendment to <i>Video Lottery Scheme under the Gaming Control Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2019/2019-42.pdf	December 18, 2019	The Video Lottery Scheme Regulation to allow for the creation of a new category of video lottery site which will have between 11 and 14 VLTs and a siteholder commission amount of 18% of the net income of each video gaming device. The new site category will benefit site holders with the opportunity to “right-size” the number of VLTs in their business.
Amendment to <i>Video Lottery Siteholders under the Gaming Control Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2019/2019-43.pdf	December 18, 2019	The fee is for a new category of VLT sites, category three, which would have between 10 and 14 VLTs. The initial registration fee is \$2,200 with a yearly renewal fee of \$2,000.
Amendment to <i>General Regulation under Gasoline and Motive Fuel Tax Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2020/2020-18.pdf	March 24, 2020	Amendments to the New Brunswick Regulation 82-81 under the <i>Gasoline and Motive Fuel Tax Act</i> to assist in the administration of the proposed Carbon Tax
Amendment to <i>General Regulation under Revenue Administration Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2020/2020-19.pdf	March 24, 2020	Consequential amendments to Regulation 82-247 under the <i>Revenue Administration Act</i> to reflect changes to the <i>Gasoline and Motive Fuel Tax Act</i> .
Amendment to <i>Exclusions under Civil Service Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2020/2020-24.pdf	March 24, 2020	Amendments were made to suspend time limits on the employment of casual and temporary workers in the Civil Service during GNB's response to COVID-19
Amendment to General Regulation under <i>Right to Information and Protection of Privacy Act</i> https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/RegulationsReglements/2020/2020-25.pdf	March 25, 2020	Section 4.01 of New Brunswick Regulation 2010-111 under the <i>Right to Information and Protection of Privacy Act</i> is amended by striking out “a research data centre” and substituting “the Minister of Health or a research data centre

The acts for which the department was responsible in 2019-2020 may be found at:

https://www2.gnb.ca/content/gnb/en/departments/jag/attorney-general/content/acts_regulations.html

Summary of Official Languages activities

Introduction

The Department of Finance and Treasury Board has many initiatives at the corporate level in addition to departmental initiatives. The department works in partnership with the Department of Intergovernmental Affairs on the implementation of strategies and plans on Official Languages. GNB's [Plan on Official Languages – Official Bilingualism: A Fundamental Value](#) was launched in July 2015.

Focus one

Ensure access to service of equal quality in English and French throughout the province.

Strategy:

- GNB's Onboarding program launched in October 2019 where Official Languages information is included in the "Orientation Checklist for New Employee" – to be signed and held in the employee's file.

Focus two

For all employees, an environment and climate that encourages the use of the Official Language of their choice in their workplace.

Strategy:

- Updates to the Policy and Guidelines on the Language of Work were completed May 2019. Updates include clarifying responsibility areas for Official Languages such as interdepartmental communications, communications within departments and agencies, and adding a link to the toolkit which contains detailed information on Official Languages such as the Guide on Conducting Effective Bilingual Meetings.
- The initiative called "Le Café de Paris" continued in 2019-2020 to support Finance and Treasury Board employees in learning or maintaining French at work. Le Café de Paris is an informal space that enables employees to interact orally in French, and to obtain tools and resources in a relaxed, non-traditional environment under the guidance of volunteers who are also Finance and Treasury Board employees.

Focus three

Strategic means to ensure that new and revised government programs and policies consider the realities of the province's Official Language communities.

Strategy:

- The government continues to ensure that official bilingualism is included as a fundamental value of the public service and is clearly included in the Code of Conduct of the employees of the Public Service.

Focus four

Ensure Public Service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and GNB's obligations with respect to Official Languages.

Strategy:

- Updates to the Policy and Guidelines on the Language of Service were completed May 2019. Updates include delineating responsibility for the development and maintenance of linguistic profiles, illustrating examples of active offer for services in both Official Languages, and adding a link to the toolkit which contains detailed examples of active offer on voice mail greetings, mail box set-up, correspondence, electronic services, service in person, etc.
- The community of practice for Official Languages Coordinators as well as the community of practice for Second Languages Coordinators met and communicated regularly on Official Languages. A monthly Finance and Treasury Board employee newsletter features information on matters related to GNB's obligations with respect to Official Languages such as tips to ensure inclusive usage of Official Languages in the workplace and with the public.

Conclusion

During 2019-2020, several initiatives were completed at the corporate level. GNB's *Plan on Official Languages – Official Bilingualism: A Fundamental Value* comes to an end. Official Languages continues to be a priority of Finance and Treasury Board and discussions with the Department of Intergovernmental Affairs are underway to identify priorities to raise individual and departmental awareness about obligations and requirements associated with Official Languages.

Summary of recommendations from the Office of the Auditor General

Name and year of audit area with link to online document	Recommendations
	Total
Volume I - Performance Audit (June 2019) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V1/Agrepe.pdf	8
Volume III - Financial Audit (December 2019) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Agrepe.pdf	8
Volume 1 – Chapter 4 (June 2018) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2018V1/Agrepe.pdf	2

Implemented Recommendations	Actions Taken
Volume I - Performance Audit (June 2019) – Chapter 4 4.34 develop a policy for its use of section 25 of the <i>Real Property Tax Act</i> to improve collections of overdue property tax. This section states that a person in whose name real property is assessed, who fails to pay the taxes on that real property, commits an offence punishable under part II of the <i>Provincial Offences Procedure Act</i> .	The policy was developed and implemented in fiscal 2019-2020.
Volume I - Performance Audit (June 2019) – Chapter 4 4.35 calculate and track the impact of forgiven municipal property tax on the Province's expenses.	The tracking and analysis of the impacts were started in fiscal 2019-2020 and will be performed on a go-forward basis.
Volume I - Performance Audit (June 2019) – Chapter 4 4.36 We recommend the Department of Finance: – clarify performance expectations of Service New Brunswick in collecting overdue property tax; and – monitor Service New Brunswick's performance against pre-defined performance indicators and targets.	Performance expectations were defined in fiscal 2019-2020 and meetings are held to monitor the performance.
Volume I - Performance Audit (June 2019) – Chapter 4 4.51 set detailed eligibility criteria for property tax forgiveness to ensure consistency of forgiveness decisions.	Eligibility criteria were further defined in a written policy in fiscal 2019-2020.
Volume I - Performance Audit (June 2019) – Chapter 4 4.52 request the Office of the Comptroller internal audit group perform periodic reviews of system controls.	The request was submitted in fiscal 2019-2020 and the Revenue Administration Division will work with the Office of the Comptroller to determine when appropriate to perform reviews of system controls.
Volume I - Performance Audit (June 2019) – Chapter 4 4.53 consult with Treasury Board to determine whether the 2014 directive to review the <i>Real Property Tax Act</i> is still appropriate.	It was determined that the Department will continue to review each situation on a case-by-case basis, prepare options to maximize the recovery of unpaid property taxes and, where appropriate, make recommendations to Treasury Board.

Implemented Recommendations	Actions Taken
<p>Volume I - Performance Audit (June 2019) – Chapter Chapter 5 5.54 We recommend the Executive Council Office/Treasury Board Secretariat ensures:</p> <ul style="list-style-type: none"> – funding agreements do not effectively override the spirit and intent of legislation, such as: <ul style="list-style-type: none"> ◆ subsection 100(8) of the <i>Local Governance Act</i> discouraging ongoing deficits; and the need for an appropriation in advance of expending provincial funds as per the <i>Financial Administration Act</i>; – detailed risk analysis is completed when developing funding agreements and necessary clauses are included to address identified risks to the Province; including: <ul style="list-style-type: none"> ◆ an appropriations clause based on legal advice to ensure proper budget authority is obtained; and ◆ a clause requiring financial reports follow Public Sector Accounting Standards; – a sufficient multi-year appropriation is obtained to cover all legally committed funding over the life of the agreement. 	<p>Executive Council Office and Department of Finance and Treasury Board ensures that funding agreements are aligned with applicable legislative provisions; that best practice is employed with respect to analysis including due diligence and legal review; and that multi-year appropriations are considered where appropriate, recognizing that clauses in most agreements enable alterations to those agreements, including cancellation.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 6 6.11 We recommend the Department of Finance and Treasury Board publicly report each year the nature and amount of tax expenditures so that the Province is in line with most other Canadian provinces.</p>	<p>The Department publicly released <i>Summary of New Brunswick Tax Expenditures</i> in November 2019 and intends to update this annually.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 13 13.11 We recommend the Office of the Comptroller break out financial statement lines reported as “General” and “Other” to provide for more transparent and useful financial information to the reader.</p>	<p>Complete</p>
<p>Volume 1 – Chapter 4 (June 2018) 4.33 We recommend Treasury Board prepare and submit Supplementary Estimates or Special Warrants before departments overspend their approved budgets.</p>	<p>Supplementary estimates and special warrants are obtained in accordance with the <i>Financial Administration Act</i>.</p>

Recommendations not implemented	Considerations
<p>Volume I - Performance Audit (June 2019) – Chapter Chapter 5 5.85 We recommend Treasury Board Secretariat/ provincial Comptroller review and update the <i>Financial Administration Act</i> to:</p> <ul style="list-style-type: none"> – modernize the <i>Act</i> with respect to payments, accruals and conformance with Public Sector Accounting Standards; – increase clarity for key financial officers processing payments throughout government to know if proper budget authority exists; and – provide for budget appropriations for multi-year agreements at the time in which funds are legally committed. 	<p>In Progress Finance and Treasury Board, Office of the Comptroller has reviewed the <i>Financial Administration Act</i> and provided recommendations for changes to the <i>Act</i>. Next steps in the process are being considered.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 5 5.12 We recommend the Office of the Comptroller (Internal Audit) develop a formal fraud policy, to include in the Province’s Administration Manual.</p>	<p>In Progress The Office of the Comptroller (Internal Audit) will develop a formal fraud policy for inclusion in the Province’s Administration Manual.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 5 5.39 We recommend the Department of Finance and Treasury Board:</p> <ul style="list-style-type: none"> – evaluate the purpose and benefit of combining the financial statements of NB Liquor and Cannabis NB; and – amend the <i>New Brunswick Liquor Corporation Act</i> to remove the need for combining the financial statements if they have no purpose and benefit. 	<p>The Office of the Comptroller agrees that only the individual audited financial statements for NB Liquor and for Cannabis NB are required for preparation of the Province’s annual consolidated financial statements. The Department of Finance and Treasury Board will review the <i>Act</i> and bring forward recommendations regarding the current requirement to produce a combined statement.</p>
<p>Volume III - Financial Audit (December 2019) – Chapter 6 6.19 We recommend the Department of Finance and Treasury Board develop a policy for reviewing tax expenditure programs. This policy will help to formalize the process for reviewing, approving and reporting tax expenditure programs for the Province.</p>	<p>The Department will develop a formal policy for tax expenditures including the review, approval and reporting processes for future releases of <i>Summary of New Brunswick Tax Expenditures</i>.</p>

Recommendations not implemented	Considerations
Volume III - Financial Audit (December 2019) – Chapter 8 8.44 We again recommend the Department of Finance and Treasury Board and NBLGC resolve recovery of the unauthorized overpayments that were made to First Nations prior to January 1, 2016 as a result of an error in the calculation of gaming revenue.	The NBLGC will again seek direction from government on the accumulated overpayment.
Volume III - Financial Audit (December 2019) – Chapter 8 8.50 We recommend Treasury Board review requests from Departments, and write-off accounts receivable, in accordance with policy AD-6307 – Deletion of Debts. At a minimum, accounts receivable and loans receivable balances beyond the limitations specified in the <i>Limitations of Actions Act</i> should be written off.	The Office of the Comptroller will review guidance currently provided to departments to ensure that it is accordance with policy AD-6307.
Volume III - Financial Audit (December 2019) – Chapter 12 12.16 We recommend the OOC take the lead in promoting change to the <i>Financial Administration Act</i> . We recommend in particular the OOC focus on changes recommended in past Auditor General reports and develop a timeline for completion.	In progress. Finance and Treasury Board, Office of the Comptroller has reviewed the <i>Financial Administration Act</i> and provided recommendations for changes to the <i>Act</i> . Next steps in the process are being considered.
Volume 1 – Chapter 4 (June 2018) 4.34 We recommend Treasury Board pursue legislative amendments to the <i>Financial Administration Act</i> to align with current accounting practices.	Finance and Treasury Board Office of the Comptroller has reviewed the <i>Financial Administration Act</i> . Next steps will be determined based on these findings.

*Note: the addition of the recommendations not implemented table is discretionary.

Section 2 – Includes the reporting periods for years three, four and five.

Name and year of audit area with link to online document	Recommendations	
	Total	Implemented
Auditor General Report - Volume III (November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V3/Agrepe.pdf	2	2
Auditor General Report – Volume IV (November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V4/Agrepe.pdf	4	4
Auditor General Report – Volume V (November 2017) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2017V5/Agrepe.pdf	2	2
Auditor General Report – Volume IV (November 2016) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2016V4/Agrepe.pdf	13	9
Auditor General Report – Volume III (December 2015) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V3/Agrepe.pdf	17	13
Auditor General Report – Volume IV (December 2015) https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V4/Agrepe.pdf	8	4

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. The Department of Finance and Treasury Board received no disclosure(s) of wrongdoing in the 2019-2020 fiscal year.