

Treasury Board

Annual Report
2016–2017

Treasury Board
Annual Report 2016-2017

Province of New Brunswick
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Transmittal letters

From the President to the Lieutenant-Governor

The Honourable Jocelyne Roy Vienneau
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Treasury Board, Province of New Brunswick, for the fiscal year April 1, 2016, to March 31, 2017.

Respectfully submitted,



Honourable Roger Melanson
President

From the Deputy Minister to the President

Honourable Roger Melanson
President of Treasury Board

Sir:

I am pleased to be able to present the annual report describing operations of the Treasury Board, Province of New Brunswick, for the fiscal year April 1, 2016, to March 31, 2017.

Respectfully submitted,



Cheryl Hansen
Deputy Minister

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President's message

In my role as President of Treasury Board, I am pleased to present to you the first annual report for the department. During its first fiscal year, Treasury Board has been focused on a number of key priorities, and we have achieved many successes.

Treasury Board has played an essential role in ensuring government treats its employees with fairness by respecting the collective bargaining process. By taking a fair, reasonable and fiscally responsible approach, our government has reached collective agreements with 25 bargaining groups since October 2014. This represents approximately 40,000 employees. I am very proud of this achievement in support of employees throughout New Brunswick employees

Our government is committed to improving pay equity in the province. Pay equity is crucial to ensuring that people are paid for their work in a non-discriminatory way. To date, the Treasury Board has completed eight pay equity studies in Parts I, II and III of the public service for female-dominated groups of employees. Implementing and maintaining pay equity is an ongoing commitment of the provincial government.

In addition, I had the pleasure this year of introducing amendments to the *Right to Information and Protection of Privacy Act* that will modernize information sharing in our province. The new legislation will allow for the sharing of information among public bodies, improve the process for people seeking information from public bodies, and strengthen the protection of private information.

Our government has a plan to return balance to our finances by 2020 - 2021, while investing thoughtfully and strategically in the priorities of New Brunswickers. I am proud of the important role Treasury Board has played this year in the reduction of our provincial deficit. We have again succeeded in reducing the deficit in a steady, responsible way. Our government is meeting our financial targets, and what is even more significant is that we have been able to do so without making deep cuts to the programs that New Brunswickers hold dear. In the 2017–2018 capital and ordinary budgets, our government invested responsibly in the areas of healthcare and education. We know how important these systems are to New Brunswick families and their quality of life, and we share those priorities.

As a government, we are committed to the path laid out in our fiscal plan and to delivering the best quality services to both employees and the public. As President of the Treasury Board, I am focused on achieving those goals.

I would like to recognize the dedication and professionalism exhibited by the employees at Treasury Board, who work hard in support of New Brunswick families and communities every day. As a department, we are encouraged by our province's growth, and we will continue to build on this positive momentum.



Honourable Roger Melanson
President of the Treasury Board
Minister of Post-Secondary Education
Minister Responsible for the Aboriginal Affairs Secretariat
Minister Responsible for Trade Policy

Deputy Minister's message

This year, as part of the government's strategic vision to move New Brunswick forward, the Department of Human Resources along with parts of Finance, the Executive Council Office, and Service New Brunswick were merged to form Treasury Board. This has been a positive change, and I am incredibly proud of what the team at Treasury Board has achieved in its first year.

Treasury Board is responsible for supporting the Executive Branch of government in its decision-making and is comprised of five divisions that work together on important government-wide initiatives. The five divisions of Treasury Board are: Strategic Services; Office of the Chief Human Resources Officer; Office of the Comptroller; Budget and Financial Management; Enterprise, Information, Technology, Risk; and Office of the Chief Information Officer. In addition, Treasury Board provides strategic direction regarding government's human resources, finances, risk, technology and information to client departments and organizations.

During our first year we have been working hard on innovative strategies for the way government works with the goal of creating additional efficiencies, and delivering exceptional service to New Brunswickers.

I would like to take this opportunity to highlight just a few of those transformational initiatives.

At Treasury Board we are modernizing our approach to human resources in launching the People Strategy. This is a government-wide comprehensive human resources strategy. That will directly support the vision of a proud, productive and professional Public Service. The strategy will focus on attracting, retaining and building the civil servants and leaders that the Public Service needs to deliver on the priorities of the current and future governments. The People Strategy, and supporting initiatives, are essential to the Government of New Brunswick's success in delivering quality programs and services to New Brunswickers.

DigitalNB is a transformative digital strategy that will serve as an essential tool in helping government to deliver services in the most efficient way to New Brunswickers. This collaborative strategy will lay the foundation for New Brunswick to become the first digital society in North America. It will facilitate the delivery of efficient citizen-centered services improving the lives of our citizens every day. New Brunswickers will reap the benefits of tailored service and program delivery through this digital transformation that places citizens and businesses at the centre of government's functions. Our government will become more agile and thus more sustainable becomes of this strategy.

The Enterprise Resources Planning Solution is a government-wide solution that will transform business processes. This innovative program will result in savings for the Government of New Brunswick through efficiencies and standardization.

The success of Treasury Board is achieved through the ongoing commitment, and hard work of our talented team. We remain focused on our vision, and are committed to the priorities of growing the economy, and delivering quality services to employees and the public. As a team, we strive to be Trusted, Agile and Solution-Focused. I am proud of our accomplishments and our ongoing commitment to be solution focused and to deliver quality services to all of our clients. I look forward to another great year ahead.



Cheryl Hansen
Deputy Minister

Strategic priorities

Strategy 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 a strategic vision to move New Brunswick forward. This vision is anchored in five priority areas:

- **Jobs** – Creating the best environment for jobs to be generated by New Brunswickers, by businesses, by their ideas, by their entrepreneurial spirit, and by their hard work. Growth efforts will be guided by the *New Brunswick Economic Growth Plan*, which focuses on strengthening the workforce; expanding innovation capacity; increasing the agility of government; fostering public and private investment in strategic infrastructure; and growing capital investment from the private sector.
- **Education** – Improving education as guided by two 10-year plans, *Everyone at Their Best* for the anglophone sector and *Donnons à nos enfants une longueur d’avance* for the francophone sector, that identify objectives for the early learning and education system and establish clear expectations for standards and performance. The areas of focus for the first year are: ensuring children and other learners develop the competencies they need to be successful in school and life; improving both literacy and numeracy skills for all learners; and working to make post-secondary education more accessible and affordable.
- **Families** – Creating a healthier and stronger New Brunswick by focusing on seven key areas: improving access to primary and acute care; promoting wellness; supporting those with mental health challenges; fostering healthy aging and support for seniors; advancing women’s equality; reducing poverty; and providing support for persons living with a disability.
- **Federal and Aboriginal Relations** – Building stronger relationships with First Nations; strengthening action on climate change; and working with the federal government to maximize federal funding, including optimizing infrastructure funding and growing the workforce through immigration.
- **Smart Province** – Providing taxpayers with better value for their money by transforming the culture of government by eliminating duplication; adopting new innovations in technology to improve services and savings; and ensuring GNB has a ready workforce that has the skills, training, support, leadership and working environments it needs to thrive.

Highlights

During the 2016-2017 fiscal year, Treasury Board focused on these strategic priorities:

Transformation Strategy to Create a Digital Society (Digital Strategy)

The Enterprise Information, Technology Risk and Office of the Chief Information Officer headed the establishment of a government-wide digital strategy. This collaborative transformation strategy will lay the foundation for New Brunswick to become the first digital society in North America. This strategy will facilitate the delivery of efficient citizen-centered services improving the lives of New Brunswickers every day. Through this digital transformation that place citizens and businesses at the centre of GNB's functions, New Brunswickers will reap the benefits of tailored service and program delivery. Equipped with this strategy to face service delivery challenges in the future, GNB will become more agile and thus more sustainable. Digital technology will enable the changes to the way we work, the way we connect with each other, and the way we serve. It will allow New Brunswickers to access their information and government services from a device, anywhere and anytime. The scale and pace of the required changes make this strategy one of truly fundamental transformation. The Government of New Brunswick will launch the digital strategy in 2017-2018.

Enterprise Resource Planning System

Co-led, with Service New Brunswick, the work to develop a proposal to GNB for the procurement and implementation of a government-wide Enterprise Resources Planning (ERP) Solution. The ERP solution will support transformed business processes in four major service areas, Human Resource Management, Financial Resource Management, Procurement/Supply Chain, and Collections. This will result in savings through efficiencies and standardization, improved service quality and timeliness, and more informed decision-making. This work will be on-going in 2017-2018 and beyond under the direction of a dedicated project team responsible for achieving this objective.

Amendments to the *Right to Information and Protection of Privacy Act*

The Enterprise Information, Technology Risk and Office of the Chief Information Officer led significant work resulting from the recommendations from the legislated review of the *Right to Information and Protection of Privacy Act* conducted in 2015. This work resulted in the introduction of amendments to *the Right to Information and Protection of Privacy Act* based on public consultations over the past two years.

People Strategy

The Office of the Chief Human Resources Officer began work to establish a government-wide human resource strategy called the People Strategy. This work directly supports the vision of a proud, productive and professional Public Service. The strategy will focus on attracting, retaining and building the civil servants and leaders that the Public Service needs to deliver on the priorities of the current and future governments. The People Strategy, and supporting initiatives, are essential to the Government of New Brunswick's success in delivering quality programs and services to New Brunswickers. The strategy will be launched in 2017-2018.

Employee safety and wellness

- The Office of the Chief Human Resources Officer established a new Employee Safety and Wellness Unit. The unit provides strategic direction along with the policy and program framework to improve the workplace health and

safety culture across the provincial government and reduce workplace accidents and time lost to injury. With the new unit in place, the team launched an initiative to support all Part I departments to ensure full compliance with the *Occupational Health and Safety Act*. The unit also initiated a Lean Six Sigma Project on Workplace Health and Safety to identify priority prevention and return-to-work initiatives for Parts I, II and III.

Equal Employment Opportunity Program

- The Office of the Chief Human Resources Officer, in partnership with the Strategic Services Division, launched a Lean Six Sigma project to enhance the Equal Employment Opportunity (EEO) program. The program provides equal access to employment, training and advancement opportunities in the Public Service for Aboriginals, persons with disabilities, and members of a visible minority group. A number of opportunities for enhancement of the EEO program were identified through consultation with several stakeholder and rights holder groups. During the 2016-2017 fiscal year, 20 EEO registrants benefitted from funding provided through the program.

Pay equity

- The Office of the Chief Human Resources Officer completed joint pay equity studies with unions and implemented the results for two groups: CUPE 2745 and CUPE 1840. The first group represented by local 2745 of the Canadian Union of Public Employees, included more than 3,000 workers in the education sector, of which the vast majority is women. These workers include educational assistants, administrative assistants, school library workers and intervention workers. The second group represented by local 1840 of the Canadian Union of Public Employees, included about 80 court stenographers in New Brunswick.

Collective agreements

- The Office of the Chief Human Resources Office signed collective agreements with five bargaining units: CUPE 1190 (general labour and trades, Part 1), Crown Counsel (PIPSC), School Business Officials (PSAC), CUPE 2745 (educational assistants and school administrative support in schools) and CUPE 1253 (school bus drivers and custodians).

Government-wide Audit Committee

- The Office of the Comptroller led the work to establish a government-wide audit committee. The committee will be chaired by the Minister of Finance and will serve as an advisory body to provide organizational oversight for financial reporting, internal controls, and the activities of internal and external audit. The establishment of this committee further demonstrates that GNB is committed to transparency and responsible management of the province's finances. The committee is expected to be in place in early 2017-2018.

Pensions and benefits

- In July 2016, a private member's bill (Vestcor Act) received Royal Assent to establish Vestcor Corp. and Vestcor Pensions Services Corporation (formerly known as the Pensions and Employee Benefits Division) as a not-for-profit corporation wholly owned by the NB Teachers Pension Plan and the Public Service Shared Risk Plan. Upon establishment, Treasury Board hired Vestcor Pension Services Corporation to continue providing the same day-to-day pension and employee benefit plan administration services under formal service level agreements. Treasury Board also retained responsibility for the governance and policy of government sponsored pension and employee benefit programs (including four employees).

Performance measures

Families	Measures
Revitalize the Equal Employment Opportunities Program to provide more participation of Aboriginals, persons with a disability, and members of visible minority groups in the public service.	Increase the annual EEO placements in GNB from nine to 16 by 2018 and to 22 by 2020.
Smart Province	Measures
Balance the budget.	Ratio of actual to budgeted expenditures.
Cultivate a proud, productive and professional civil service.	Per cent employee performance reviews completed.

Families

Objective of the measure

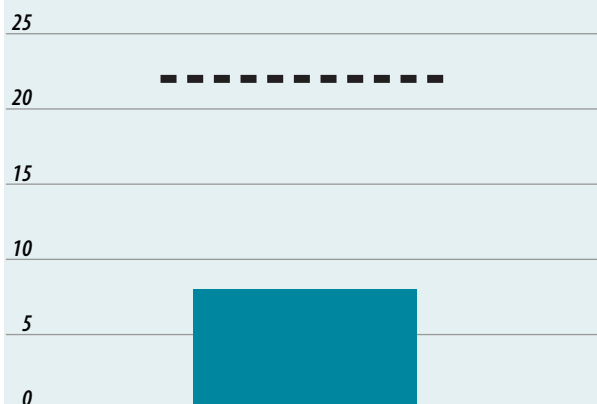
Revitalize the Equal Employment Opportunities Program (EEO) to provide more participation of Aboriginals, persons with a disability, and members of visible minority groups in the public service.

Measure

Increase the annual EEO placements in GNB from nine in 2015-2016 to 16 by 2018 and from 16 to 22 by 2020.

Description of measure

The measurement is based on the number of new hires who have been approved as EEO candidates in Part I and II.



Overall performance

Overall performance is determined based on the steady increase of EEO new hires and the usage of departmental funds approved to support this program.

- **Baseline:** 8 (based on 3 year average of successful EEO positions filled)
- - - - **Target:** 22
- Actual:** measurement to begin in 2017-2018

Why do we measure this?

The purpose of measuring the successful hiring via the Equal Employment Opportunity (EEO) Program is to help create a more balanced workforce that reflects the diversity of New Brunswick. The program provides Aboriginals, persons with disabilities, and members of visible minority groups with equal access to employment, training, and advancement opportunities in the New Brunswick Public Service. Based on 2006 Statistics Canada information, these three groups represent 14.3 per cent of New Brunswick's labour force. In 2015-2016, new EEO placements in GNB represents 5.9 per cent of all GNB external permanent hires in Part I, down from 17 per cent over the course of four years from 2012-2013.

The program encourages hiring in Parts I and II of the public service through funding support, up to a maximum of \$15,000 per year, for a two year term placement. As indicated in the *Civil Service Act*, candidates registered with the EEO Program can apply to internal competitions and are granted preference in the competitive staffing process, once they have demonstrated they are among the most qualified. Although some candidates would be successful in demonstrating they are among the most qualified, some persons with disabilities may not meet, due to their disability, the minimum qualification requirements for certain government positions.

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

The focus of initiatives in the 2016-2017 year was to secure additional funding for the EEO Program to increase the number of successful placements of EEO candidates. The increased funding was intended to:

- support the hiring of a full time coordinator to oversee the program, make improvements, market the program internally and externally and build relationships with key stakeholders, EEO candidates and hiring managers; and
- ensure that a larger number of candidates can actively participate in the EEO Program by utilizing available funds.

Smart Province

Objective of the measure

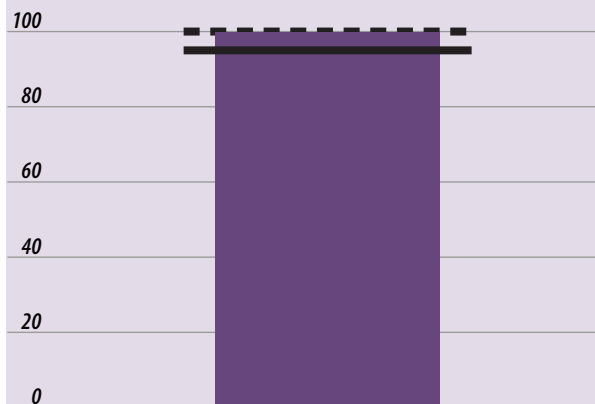
Achieve a sustainable budget.

Measure

Ratio of actual to budget 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.

— Baseline: 100%
- - - Target: 100%
Actual: 95%

Why do we measure this?

This indicator measures the ability of GNB to manage its overall expenses as compared to its budget. GNB must ensure that 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.

Smart Province

Objective of the measure

Cultivate a proud, productive and professional civil service

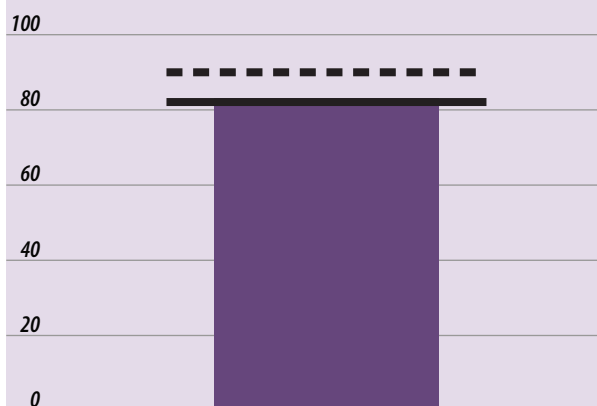
Employee involvement and productivity

Measure

Per cent employee performance reviews completed in Part I.

Description of measure

The completion rates of performance reviews in Part I.



Overall performance

Part I departments achieved a performance review completion rate of 83 per cent, which is below the 2016-2017 target of 90 per cent. This is up slightly from the completion rate of 82 per cent from the previous year. For the most part the completion rates illustrate the continued efforts departments are making to ensure that employees are receiving their performance reviews in a timely manner.

————— Baseline: 82%
- - - - - Target: 90%
Actual: 83%

Why do we measure this?

The timely completion of performance reviews provides an opportunity for managers and employees to discuss review and assess the accomplishment of work objectives, demonstrated competencies and overall individual employee contribution against GNB's business results.

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

The department continues to enhance the performance agreement process and documentation as well as the reporting process. The changes continue to create a culture of clear accountability, where both managers and supervisors continue to have performance related conversations, feedback is provided and employees continue to develop and be recognized.

Overview of departmental operations

In April 2016, the Government of New Brunswick announced its intent to merge the Department of Human Resources (DHR) and parts of the Department of Finance (FIN), the Executive Council Office (ECO) and Service New Brunswick (SNB) into one department. The resulting new department called Treasury Board is responsible for human resources; expenditure management and fiscal oversight; and the Office of the Chief Information Officer (OCIO) and information management

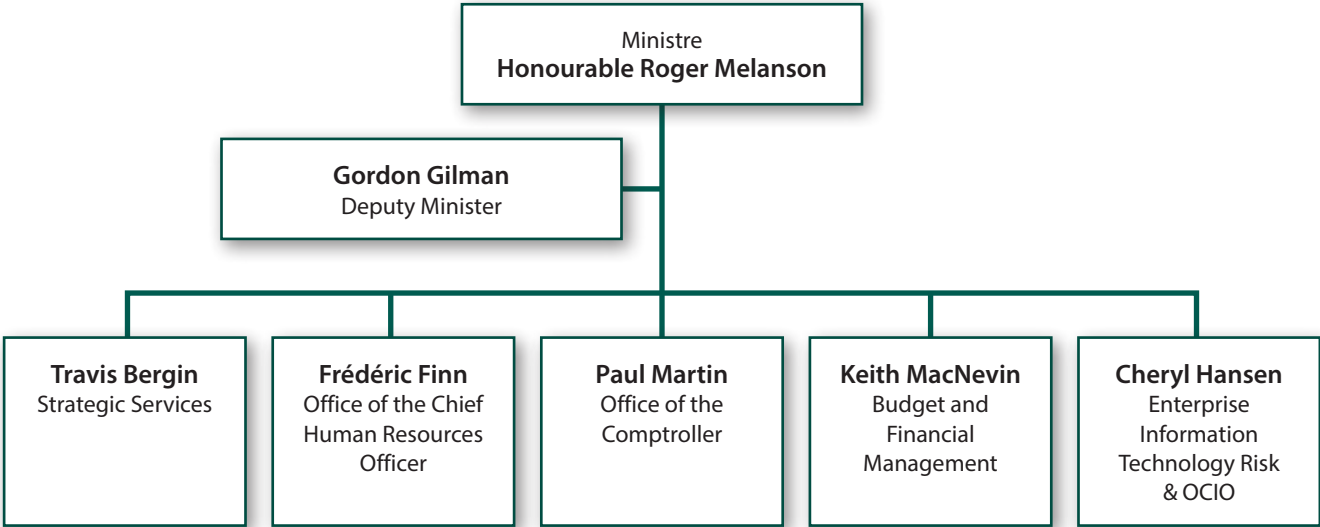
The President of the Treasury Board is also the Chair of the Treasury Board Cabinet Committee. The Deputy Minister of Treasury Board is also the Secretary to the

Treasury Board Cabinet Committee and holds the powers and duties assigned under the *Civil Service Act* held by the former Deputy Minister of Human Resources.

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.

Treasury Board consists of the following five divisions: Strategic Services; Office of the Chief Human Resources Officer; Office of the Comptroller; Budgets and Financial management; and Enterprise, Information, Technology, Risk, and Office of the Chief Information Officer (OCIO).

High-level organizational chart



Division overview and highlights

Strategic Services

Overview (mission, objective, staffing)

The Strategic Services division supports the development of GNB policies and long-term strategies for financial, human resource, technology and information management; leads departmental Performance Excellence activities; and completes Alternate Service Delivery assessments of government programs and initiatives.

The Strategic Services division is comprised of the two units: Policy and Performance Excellence and Alternative Service Delivery.

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, internal communications and education, 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 project facilitation expertise on continuous improvement projects.

The **Alternative Service Delivery** unit is responsible for identifying program and project assessment opportunities, reviewing unsolicited proposals, research, project management, group facilitation, and analysis. The unit facilitates high-level reviews of Alternative Service Delivery opportunities as well as comprehensive assessment reports including market sounding, financial, risk, value-for-money, and stakeholder analyses.

HIGHLIGHTS

- ◆ *Establishment of the new policy and strategy office within Treasury Board;*

- ◆ *Facilitated five Black Belt Projects and provided support to six process improvement initiatives on departmental strategic priorities, such as: Equal Employment Opportunity Program, Employee Health and Safety, Human Resource Centralization, Human Resource Strategy, Pay Equity, Telecommunications, Administration Support Processes, Daily Management and Waste Walks;*
- ◆ *Coordinated 21 requests under the Right to Information and Protection of Privacy Act;*
- ◆ *Coordinated 14 Memorandums to Executive Council (MECs);*
- ◆ *Completed 23 Alternative Service Delivery assessments across Government; and*
- ◆ *Supported stakeholder consultation for several New Brunswick Economic Growth Plan priorities.*

Key Performance Indicators

- Percent of legislative activities on track (includes legislation, MECs and house briefings);
- Improvement rate via continuous improvement; and
- Number of Alternative Service Delivery assessments completed.

Office of the Chief Human Resources Officer

Overview (mission, objective, staffing)

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

The 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, the OCHRO oversees the human resource management functions in GNB.

The OCHRO 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, the 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 34 positions organized in three branches: the **Employee Relations Branch**, the **Total Compensation and Benefits Branch** and the **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 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 for recruitment and staffing

across Part I of GNB as well as employee and leadership development, performance management, official languages, workplace equity and diversity, workplace health and safety, and employee wellness.

HIGHLIGHTS

- ◆ *Signed collective agreements with five bargaining units: CUPE 1190 (general labour and trades, Part I), Crown Counsel (PIPSC), School Business Officials (PSAC), CUPE 2745 (educational assistants and school administrative support in schools) and CUPE 1253 (school bus drivers and custodians).*
- ◆ *Completed a Lean Six Sigma project to increase the number of placements through the Equal Employment Opportunity (EEO) program. The program provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities in the Public Service. As part of this initiative, consultation sessions were held with several stakeholder and rights holder groups whereby a number of opportunities for enhancement of the EEO Program were identified.*
- ◆ *Established and staffed a new Employee Safety and Wellness Unit (using existing positions rather than adding new positions) to provide strategic direction and the policy and program framework to improve the workplace health and safety culture across GNB, reduce workplace accidents and time lost to injury.*
- ◆ *Launched an initiative to support all Part I Departments in assuring full compliance to the Occupational Health and Safety Act.*
- ◆ *Initiated a Lean Six Sigma Project on Workplace Health and Safety to identify priority prevention and return-to-work initiatives for Parts I, II and III.*
- ◆ *Initiated a project to develop a new people strategy for Part I in support of the vision for a proud, productive and professional Public Service.*
- ◆ *Completed joint pay equity studies (with unions) and implemented the results for two groups: CUPE 2745 (educational assistants and administrative support in schools) and CUPE 1840 (court stenographers).*
- ◆ *Continued joint work with the New Brunswick Union on pay equity studies for three groups: Professional Support in Schools; Medical Science Professionals; and Specialized Health-Care Professionals.*

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 2016-17.

	Referrals to adjudication carried from previous years	New referrals to adjudication	Grievances withdrawn or settled	Adjudication decisions rendered
Part 1	148	101	46	12
Part 2	62	82	47	1
Part 3	261	243	117	8
Total	471	426	210	21

Status of sick leave usage

Sick leave usage continues to be monitored with the goal to sustain the significant reductions made during 2012-21016. Following an increase in the Part I average from 7.57 days to 7.80 days in 2016-2017, targets were re-established for the 2017-2018 fiscal period.

Office of the Comptroller

Overview (mission, objective, staffing)

The **Office of the Comptroller** provides leadership in accounting and internal auditing 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 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 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 Administrative Services, Accounting Services, and Audit and Consulting Services.

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, Treasury Board, staff and government agencies; interpretation of emerging accounting standards and their impact on the Government of New Brunswick; 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.

HIGHLIGHTS

- ◆ Prepared annual reporting of the Public Accounts, Volumes I and II;
- ◆ Provided quarterly public reporting of senior executive travel;

- ◆ Led work to establish a government wide audit committee;
- ◆ Conducted performance audits in support of strategic priorities; and
- ◆ 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 Board Employment Benefits Task Force

Key Performance Indicators

Issuance of the March 31, 2016, annual audited financial statements by Sept. 30 as set out in legislation.

Enterprise Information Technology, Risk, and Office of the Chief Information Officer (EITROCIO)

Overview (mission, objective, staffing)

EITROCIO is responsible for 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 EITROCIO division consists of three sections: Digital Office, Enterprise Risk Management, and Provincial Archives.

Digital Office

The Digital Office provides direction to all parts of GNB to ensure enterprise-wide alignment and cost-effective use of information resources and to promote and sustain a culture of innovation. The Digital Office provides services and support through three main areas: Information Technology (IT) Governance, Enterprise Architecture, and Transformation through Innovation.

Information Technology (IT) Governance designs and implements effective enterprise governance through: articulating IT vision and strategy; developing IT directives, policy and standards; providing strategic direction on enterprise IT investments; managing government stakeholder engagement; and providing direction on enterprise IT capital budgets pertaining to systems of innovation.

Enterprise Architecture (EA) is responsible for the implementation and oversight of the EA program. This involves: collaborative development and ownership of the EA Roadmap and Blueprint; the design of government business, information and technology architectures in collaboration with stakeholders; and ensuring effective governance with stakeholder participation.

Transformation through Innovation enables and supports business transformation through digital innovation; supports the development of sector specific IT strategic plans to enable business plans; provides Centers of Excellence to ignite innovation and change; and enables and supports large scale transformation projects.

DIGITAL OFFICE HIGHLIGHTS

- ◆ Facilitated the development and publication of two significant policies: *Cloud First* and *Open Data*;
- ◆ Developed and coordinated the facilitation of stakeholder consultations for the *Transformation Strategy to Create a Digital Society (Digital NB)*. with over 115 meetings and workshops held and 6800 surveys collected;
- ◆ Prioritized a renewed focus on digital innovation within government – *Digital NB*; and
- ◆ Developed a collaborative process for *Enterprise Architecture (EA)* across government with representatives from business and IT leadership from Parts I-IV forming an *All Parts EA Leadership (APEAL)* team in support of *Digital NB*.

Enterprise Risk Management

Enterprise Risk Management (ERM) is a strategic business program capable of supporting the achievement of GNB's objectives. As such, it is noted as an enabler within the *Transformation Strategy to Create a Digital Society (Digital Strategy)*.

Positioned to integrate into GNB's Formal Management System, it is a framework-driven program that provides a system, standardized processes, tools and templates to enable government to collect, analyze and manage disparate risks to GNB business objectives.

The ERM team looks comprehensively at government and holistically at the relationships between the enterprise and the environment within which it operates with the following aims: understand significant risks and how these risks could be inter-related; study a wide range of possible future scenarios; and consider how the business might be made more robust and flexible.

Enterprise Risk Management provides services and support through two functional areas: Cyber Security, and Business Risk.

Cyber Security provides strategic direction and oversight to government on managing risks related to people, processes and technology involved in the use of data in transit or at rest. The team delivers Cyber Security policies and directives to guide decision makers to produce consistent, rational outcomes. In addition, the team works collaboratively with Federal, Provincial, Territorial and Municipal governments as well as other partners to determine best approaches for protecting information.

Business Risk provides guidance, direction and oversight to government on managing risks in a manner that will allow business objectives to be met. The team also completes Enterprise Risk Assessments to inform government strategy and investment decisions. Effective risk management equips provincial government organizations to respond actively to change and uncertainty by using risk-based information to enable more effective decision-making. The capacity and demonstrated ability to assess, communicate and manage risk can build trust and confidence, both within GNB and the public.

ERM Highlights

- Facilitated the development and implementation of a Hybrid Security Operations Centre, collaborative effort with SNB and private enterprise;
- Designed and delivered a draft ERM Strategy and Framework;
- Drafted multiple processes, guides and educational/awareness materials for the management and support of the delivery of the ERM program to government;
- Designed and drafted ERM tools such as: an online Enterprise Risk Register; likelihood and impact scales; and an online Business Continuity/Disaster recovery tool for use by departments, business owners and ERM analysts; and

- Completed a detailed threat risk assessment on the newly formed Vestcor Pension Services.

Provincial Archives

The Provincial Archives has the dual responsibility of oversight of the information management of Government Records and acquiring and providing of access to records bearing on the province's history. The Archives fulfils this role by acquiring, preserving and making accessible public and private sector records of legal, administrative and historical significance to meet the needs of GNB, researchers and the public. For government bodies, the Archives perform this function through information governance and by applying standards and systems to manage traditional and electronic records through the scheduling and disposition of records. The Archives work with the public through the identification of private sector, personal and family records for acquisition.

Provincial Archives also provide secure storage and conservation capacity for all such records and facilities for the public and GNB to conduct research on the province's past.

Because of the close connection between information management and access requests to public bodies, the *Right to Information and Protection of Privacy Act* (RTIPPA) unit resides in the Archives. The Information Access and Privacy Unit supports government departments and other public bodies in administering and responding to Right to Information requests and in protecting the privacy of individuals by providing training, expert advice and leadership.

PROVINCIAL ARCHIVE HIGHLIGHTS

- ◆ *Acquired capacity to undertake large scale digitization of paper records, both for high volume contemporary records and oversized records of any age;*
- ◆ *Introduced amendments to the Right to Information and Protection of Personal Privacy Act based on the public consultations conducted over the past two years;*
- ◆ *Provided support to many community groups and government initiatives in conjunction to Canada 150. This will continue through the remainder of 2017; and*
- ◆ *Received a number of records from architectural firms.*

Key Performance Indicators

Website pages viewed	22,314,811
Website visitors.	1,254,995
Public inquiries mail and email.	3,875
In-person research visits	2,903
# of Records requested.	8,526
# of monetary appraisals conducted	46
Boxes transferred from RC to Gov't Records.	3,025
Boxes retained by Government Records	1,031
Private Sector accessions	281
Boxes entering the Records Centre	12,884
Boxes eliminated from Records Centre	8,632
Departmental recalls from Records Centre	11,352

Budget and Financial Management

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 analysed to assess financial and human resource implications and to determine any additional information that board members may require to make informed decisions.

HIGHLIGHTS

Budget and Expenditure Monitoring highlights:

- ◆ *Coordinated the preparation of the 2017-2018 capital estimates tabled on Dec. 14, 2016 and the main estimates tabled on Feb. 7, 2017;*
- ◆ *Supported the Department of Finance in the preparation of the budget speech;*
- ◆ *Prepared quarterly Fiscal updates in cooperation with the Department of Finance and completed the expenditure analysis to prepare the major variance section of the province's financial statements; and*
- ◆ *Provided secretariat services to approximately 70 Treasury Board meetings, a number of which were joint meetings with other Cabinet committees, resulting in more than 175 decisions being issued to departments and agencies.*

Financial information

Fiscal Year Ending March 31, 2017 (Thousands)

	Main Estimates	Expenditures*	Variance
Budgets	883.0	812.4	70.6
EITROCIO	7,235.8	6,523.6	712.2
OCHRO	3,594.0	3,616.9	(22.9)
OOO	3,106.0	3,095.2	10.8
Strategic Services	501.0	509.6	(8.6)
Total	<u>\$15,319.8</u>	<u>\$14,557.7</u>	<u>\$762.1</u>

**All figures include the full budget and expenditures from April 1, 2016 to March 31, 2017. From April 1 to June 5, 2016, the Budgets, OOC and Strategic Services branches include the portion that remained in Department of Finance while EITROCIO includes the portion that remained in Government Services and SNB (Archives). Executive Office is included in the OCHRO figures for the 2016-17 fiscal year.*

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 as of December 31, 2016 for Treasury Board.

Employee type	Number of permanent and temporary employees as of December 31, 2016
Permanent	164
Temporary	5
Total	169

The department advertised 26 competitions, including 17 open (public) competitions and nine 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)	0
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)	1
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) or 16(1)(c)	6
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)	0
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*, zero complaints alleging favouritism were made to the Deputy Head of Treasury Board and zero complaints were submitted to the Ombud.

Summary of legislation and legislative activity

Treasury Board did not have any legislative activity during this reporting period. The acts for which the department was responsible in 2016-2017 may be found at: <http://laws.gnb.ca/en/deplinks?subjectnumber=51>.

Summary of Official Languages activities

Introduction

Treasury Board has a large number of initiatives at the corporate level in addition to departmental initiatives. Treasury Board works in partnership with the Executive Council Office – 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 and work is ongoing to support individual departmental action plans.

Focus 1

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

Strategy:

- A practical guide on Official Languages was developed for employees establishing timelines for Human Rights staff to ensure that the guide is received and reviewed by the employee.

Focus 2

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

Strategy:

- Treasury Board compiled the list of training service providers and indicated whether or not they provide bilingual training. A list of service providers including their list of course offerings was developed. The list includes the language ability of the provider to offer services in English, French or in both Official Languages.

Focus 3

Strategic means to ensure that new and revised government programs and policies take into account 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 4

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:

- Official Languages Coordinators in departments and agencies met regularly as part of a community of practice on Official Languages.
- Treasury Board worked to develop a guide on Official Languages to support initiatives within the Plan on Official Languages and improve knowledge and understanding of the *Act*.

Conclusion

The results achieved by various initiatives stemming from GNB's *Plan on Official Languages – Official Bilingualism: A Fundamental Value* is a testament to their positive effect in raising awareness and acceptance of Official Languages both from a lead as well as partner perspective by Treasury Board. Official Languages continue to be a priority of Treasury Board and efforts continue to raise individual and departmental awareness about its 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	Adopted
Office of the Chief Information Officer – Value for Money/Performance Work – Volume II (2012) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2012.html#2013v1=Page1&2013v2=Page4 Chapter 3, page 114	1	0
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2012) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2012.html#2013v1=Page1&2013v2=Page4 Chapter 3, pages 62 to 68	10	7
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2013) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2013.html#2013v1=Page1&2013v2=Page4 Chapter 4, pages 71 to 80, 81 to 82	19	17
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2014) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2014.html#2014v1=Page1&2014v2=Page4 Chapter 4, pages 86 to 96	10	5
Data Centre Power Interruption – Performance Audits - Volume 2 (2014) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2016.html#2016v1=Page13 Chapter 3, pages 62 to 63	3	0
Province of New Brunswick: Observations on Pension Plan (2015) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2015.html#2015v4=Page1&2015v3=Page5&2015v2=Page9&2015v1=Page12 Chapter 3, pages 65 to 69	5	4
Office of the Chief Information Officer – Matters Arising from our Audit of the Financial Statements of the Province (2015) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2015.html#2015v4=Page1&2015v3=Page5&2015v2=Page9&2015v1=Page12 Chapter 3, Page 131	1	1
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2015) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2015.html#2015v4=Page1&2015v3=Page5&2015v2=Page9&2015v1=Page12 Chapter 6, pages 136 to 146	9	5
Office of the Comptroller – Matters Arising from our Audit of the Financial Statements of the Province (2016) http://www.agnb-vgnb.ca/content/agnb-vgnb/en/publications/reports/year/2016.html#2016v1=Page13 Chapter 4, pages 89 to 100	12	7

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. Treasury Board received no disclosures of wrongdoing in the 2016-2017 fiscal year.

Appendix A: Pension plans

Plan	Year Ending	*Number of Members	Employee Contributions	Employer Contributions	**Number of Pensioners-In-Pay	Pension Payroll	Pension Fund
Members' Pension Act & Members' Superannuation Act	31-Mar-2017	-	-	3,387,000	90	3,387,000	N/A
Provincial Court Act & Provincial Court Judges' Pension Act	31-Mar-2017	29	477,000	822,000	31	1,565,000	46,292,000
Ombudsman Act	31-Mar-2017	-	-	-	1	157,000	N/A
Pension Plan for Management Employees of NB School Districts	31-Dec-2016	-	-	-	102	1,312,000	5,723,000
Pension Plan for General Labour, Trades & Services of N.B. School Districts	31-Dec-2016	2,124	3,601,000	5,403,000	1,689	20,626,000	367,504,000
Pension Plan for Full time CUPE 2745 Employees of New Brunswick School Districts	31-Dec-2016	1,035	1,575,000	2,138,000	481	3,712,000	89,282,000
Pension Plan for Part-Time & Seasonal Employees of the Prov of N.B.	31-Dec-2016	9,491	3,147,000	2,971,000	N/A	NA	177,223,000
<p>The following plans are no longer being reported as they are now the responsibility of independent Board of Trustees.</p> <ul style="list-style-type: none"> – Public Service Shared Risk Plan – New Brunswick Teachers' Pension Plan – Shared Risk Plan for Certain Bargaining Employees of New Brunswick Hospitals – Shared Risk Plan for CUPE Employees of New Brunswick Hospitals 							
<p>*Number of members includes active, inactive and members on leave. **Number of Pensioners-In-Pay excludes deferred pensioners.</p>							

Appendix B: Employee Benefits Summary

Table 2: Employee Benefits Summary

	Long-term Disability		Health and Dental		Deferred salary
	General	Nurses and CUPE 1251	Health	Dental	
Plan Year Ending	30-06-17	30-06-17	30-06-17	30-06-17	31-12-16
Number Covered *	13,236	6,453	41,259	37,348	23
Number of Claims	380	408	N/A	N/A	N/A
Amount of Claims	\$8,387,699	\$8,777,173	\$91,032,314	\$19,827,125	N/A
Disability Reserves**	\$31,299,000	\$32,078,000	N/A	N/A	N/A
Disability Waivers this Year***	140	145	315	314	N/A
Disability Waivers Total	423	436	388	385	N/A
Number of Conversions†	N/A	N/A	N/A	N/A	N/A
Conversions Charges††	N/A	N/A	N/A	N/A	N/A

Notes:

***Number Covered:** Number of employee participants covered – i.e., does not include spousal or child dependents. Health and Dental includes retiree participants.

****Disability Reserves:** Estimated reserves to fund the future cost for those participants who are deemed disabled.

*** **Disability Waivers:** Participants for whom premium contributions were waived due to disability.

†**Conversions:** At retirement, participants may convert their group life insurance coverage to an individual life insurance policy without the medical evidence requirement.

†† **Conversion Charge:** A charge to the Group Life Plan when a participant elects to convert insurance.

(1) Number of participants covered for EFAP – includes eligible employees of Part I, II, III & other approved employer groups.

(2) EFAP claims are expressed in terms of accesses to the services.

(3) Program costs are calculated as rate per employee, per month.

Group Life Insurance			Accidental Death and Dismemberment			Employee and Family Assistance Program	
Basic	Supplementary	Dependent	Basic	Supplementary	Voluntary	Employees	Dependents
30-04-17	30-04-17	30-04-17	30-04-17	30-04-17	30-04-17	31-03-17	
36,760	14,350	16,564	36,760	14,350	15,955	45,468(1)	
49	27	40	85	4	9	3,166 (2)	636 (2)
\$2,215,439	\$2,010,876	\$480,046	\$414,438	\$337,794	\$777,750	\$1,982,286(3)	
\$140,042	\$399,744	N/A	N/A	N/A	N/A	N/A	N/A S//O
412	191	199	412	191	196	N/A	N/A
1,390	625	718	1,390	625	707	N/A	N/A
48	7	0	N/A	N/A	N/A	N/A	N/A
\$154,351	\$45,704	\$0	N/A	N/A	N/A	N/A	N/A

Notes :

* **Nombre d'assurés** : Nombre d'employés participants couverts – c'est-à-dire ne comprend ni les conjoints ni les enfants à charge. Les soins médicaux et dentaires couvrent les participants retraités.

** **Réserves pour invalidité** : Réserves estimées en vue de financer les coûts à venir pour les participants réputés être invalides.

*** **Dispenses en raison d'invalidité** : Participants dispensés de contribuer en raison d'une invalidité.

† **Conversions** : Au moment de la retraite, les participants peuvent convertir leur assurance-vie collective en une assurance-vie individuelle sans avoir à subir un examen médical.

†† **Frais de conversion** : Des frais imposés au régime d'assurance-vie collective lorsqu'un participant décide de convertir l'assurance.

(1) Nombre de participants couvert par le PAEF – inclus les employés de la Partie I, II, III and other approved employer groups.

(2) Les réclamations en vertu du PAEF sont exprimées en termes d'accès aux services.

(3) Les coûts du programme sont calculés selon un taux mensuel par employé.