

# Chapter 1

## Introductory Comments by the Auditor General

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# Introductory Comments by the Auditor General

**1.1** My Office’s mission, as included in our 2014 to 2020 strategic plan is:

*To provide objective, reliable, and timely information to the Legislative Assembly on government’s performance in its delivery of programs and services to the people of New Brunswick.*

## **Performance Audits Included in this Report**

**1.2** The three performance audits reported upon in this volume addressed areas that should be of significant interest to the Legislative Assembly. These include infection prevention and control programs in hospitals, the provincial silviculture program, and provincial involvement with private woodlots.

## **Infection Prevention and Control in Hospitals**

**1.3** Infection prevention and control in hospitals impacts all New Brunswick residents. Healthcare professionals working in hospitals take infection prevention and control very seriously and follow numerous standard practices and procedures. However, as reported in Chapter 2 of this Report, we noted numerous deficiencies. When we visited eight hospitals in New Brunswick we observed healthcare professionals and support staff do not always clean their hands when required, sometimes fail to keep clean and dirty areas, equipment and linen separated, and do not always adequately dispose of waste materials.

## ***The Importance of Hand Hygiene***

**1.4** The Vitalité Health Network – Infection Prevention and Control Manual states, “*Hand hygiene is the single most important measure for preventing infections, reducing nosocomial infections by 50 – 80%.*” Through the simple step of routine hand hygiene, New Brunswickers can reduce the risk of hospital acquired infections. This applies to healthcare workers, patients and visitors.

***Inconsistencies in Infection Prevention and Control Between the two Provincial Health Networks***

**1.5** During our audit, we found significant inconsistencies between the infection prevention and control processes followed by the two health networks (i.e. Vitalité and Horizon). I strongly believe New Brunswickers should expect one set of provincial infection prevention and control standards. The standards should be based upon best healthcare practices, and followed in all provincial hospitals.

**Forestry audits**

**1.6** The two forestry-related chapters included in this Report address the silviculture program administered by the Department of Natural Resources, and provincial involvement in private woodlots through both the Department and the New Brunswick Forest Products Commission, a Crown agency.

***Specific, Measurable Goals Needed for Provincial Silviculture Program***

**1.7** The provincial silviculture program, reported on in Chapter 3, strives to increase the quantity and quality of trees in the Crown forest after harvesting activities have occurred. Silviculture expenditures are an investment in the Province's future. The provincial silviculture program has contributed to a positive increase in future wood supply. However, the Department has not established specific, measurable long-term goals for this program, nor does it measure the incremental benefits of the roughly \$29 million in government funds being expended on silviculture on Crown and private land in the Province each year. I have made a number of recommendations to address weaknesses in the delivery and oversight of the provincial silviculture program.

***Provincial Facilitation and Oversight of Provincial Forest Products Marketing Boards Need Improvement***

**1.8** Private woodlots, discussed in Chapter 4, also contribute to the economic, social and environmental well-being of the Province. Pursuant to provincial legislation, a marketing board system has been set up to help coordinate the sale of wood cut on private wood lots in the Province. However, principles that were established in legislation (i.e. proportionate supply and sustained yield) are not currently being pursued by the Department, and no replacement objectives have been defined. The current forest management strategy does not adequately address how the Department intends to meet its private wood supply obligations.

**1.9** Further, oversight of the marketing board system by the New Brunswick Forest Products Commission is inadequate. This may have contributed to a number of concerns relating to some of the marketing boards. In particular two boards are currently having serious financial difficulties. In one case, the marketing board made a questionable investment in a bankrupt saw mill. Despite the plans of the marketing board, the saw mill has continued to struggle operationally and this has resulted in major financial losses for the marketing board. The Forest Products Commission knew about the investment, but had taken no action by the time of our audit. Given the deficiencies observed, I have provided several recommendations I believe will help the Department and the Forest Products Commission improve their effectiveness in facilitating and overseeing the important public benefits provided by private woodlots.

***There is an Imbalance  
in Crown Forest  
Priorities***

**1.10** In its role as the steward of a critically important public asset, our Crown forest, I believe government must protect the interests of New Brunswick residents. So, government must sustain the quality and quantity of the trees on Crown forests for economic development and other purposes. It must also sustain adequate bio-diversity (i.e. balance of the tree stock between softwood and hardwood species), in order to mitigate the risks (e.g. catastrophic losses from insect infestations) that can arise in a less diverse forest. Finally, government must ensure current and future needs of New Brunswickers are met before allocating additional resources to private sector development.

**1.11** In our two audits, we observed that economic development has become the primary focus of government in relation to the Crown forest. This focus on economic development will likely impact on the long-term bio-diversity of the Crown forest (i.e. softwood species are in higher demand, most marketable, and therefore the focus of provincial silviculture activities). It may also have the effect of excluding other prospective commercial and non-commercial users of the Crown forest.

***Lack of Adherence to  
the Forest Management  
Planning Cycle***

**1.12** The *Crown Lands and Forest Act* requires that government obtain revised forest management plans from each Crown licensee each five years. This requirement is

intended to produce a properly regulated and predictable forest management planning cycle. However, over the past five years, the Province has had three different forest management strategies. Perhaps as a result of this indecisiveness on the part of recent governments, we noted that the forest management plans from Crown licensees were not up to date at the time of our audit. Given the complexities of forest management, the extended time frames involved in growing a productive forest, and the economic, social, and cultural importance of the Crown forest to New Brunswickers and provincial industry, I believe it is critically important that government demonstrate consistency and predictability in its strategic oversight of the Crown forest management.

***Lack of Reporting on the Status of the Crown Forest and Its Value***

**1.13** I am concerned that government does not report regularly to the Legislative Assembly and the public on the status of New Brunswick's Crown forest and its management. This type of reporting is common in other Canadian jurisdictions, and allows citizens to hold the government to account for its stewardship.

**1.14** I am also very surprised, given the provincial focus on the economic value of the Crown forest, the Province does not track the value of the Crown timber asset. Without this information, for example, it would be difficult to determine if the funds allocated to the provincial silviculture program sufficiently increase the overall value of the Crown forest to make the program worthwhile.

**Acknowledgements**

**1.15** My staff worked very hard in carrying out the work contained in this Report. This report is a reflection of their commitment, professionalism and diligence. I would like to express my appreciation for their contribution and continuing dedication to fulfilling the mandate of the Auditor General of New Brunswick.



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