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# Auditor General of Nova Scotia

## Lessons to be Learned from COVID Relief Programs – Auditor General

*For release Nov. 23* – The government’s quick response to set up COVID-19 relief programs in the first wave of the pandemic was commendable, says Nova Scotia’s Auditor General.

But by committing funding before relief programs were fully developed and costs were known, millions in potentially unspent relief funds won’t return to Provincial coffers, Auditor General Kim Adair says in her latest report.

The report focuses on the first wave of COVID-19 relief programs for small businesses and individuals from March to September 2020. Auditors examined \$30 million in emergency childcare grants by the Department of Education and Early Childhood Development and a \$100 million contract with Dalhousie University to administer programs to assist individuals and businesses.

The audited COVID-19 programs administered by Dalhousie University were found to be well managed, but the Auditor General said that handing control of the funds to the university before relief programs were developed and costed out is concerning.

“The \$100 million given to Dalhousie meant the Province locked in the amount and gave up control over how the money was spent before knowing how much was needed,” Adair said.

The provision to direct remaining funds to Research Nova Scotia for Public Health research means the Province can’t redirect any savings to other provincial priorities.

At this time, more than half of the \$100 million is either unallocated or relates to tourism loan guarantees which may not be drawn by the time the Agreement expires in 2027.

The Auditor General’s report makes two recommendations, including guidance for emergency grants that provides direction on the return of unspent funds when using external parties.

“The Province needs to develop guidance for emergency relief programs. Lessons learned from the COVID-19 relief programs will provide useful information in developing this guidance,” she said.

The audit also found numerous concerns with the way the Province implemented COVID-19 relief aid to childcare providers, including inadequate oversight, guidance and monitoring of its emergency grant programs.

“The Department of Education and Early Childhood Development did not have a documented process for awarding funds and inconsistencies were found in the documentation and calculation of grants,” says Adair.

The Department acted quickly to provide financial support, offering the first emergency grant instalment within the first week childcare centres were ordered to close in March 2020.



“And while the overall goal of helping childcare providers stay financially viable was clear and communicated to the childcare sector and the public, the Department of Education and Early Childhood Development did not set performance measures to define its success or ensure that the goal was met.”

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A detailed news release, the report, summary, and a highlight video can be found on the Office of the Auditor General’s website at [www.oag-ns.ca](http://www.oag-ns.ca).

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