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Office of the Auditor General

Nova Scotia

Atlantic Canada's auditors general follow-up report finds risks to Atlantic Lottery Corporation linger

June 19, 2019

Today the auditors general of New Brunswick, Newfoundland and Labrador, Nova Scotia and Prince Edward Island released the results of their joint follow-up report on the status of implementing recommendations from their joint audit of the Atlantic Lottery Corporation (ALC).

Released in 2016, the joint audit focused on the corporate governance and operations of ALC. In total, the auditors general made 25 recommendations; nine to the four shareholder governments and 16 to the board and management of the corporation. All recommendations were accepted with the exception of two addressed to the four shareholder governments.

After two years, the auditors general are pleased to report all 16 recommendations specific to the ALC Board and management were implemented.

While shareholder governments have made progress towards implementing recommendations, the auditors general found they only fully implemented two of nine (22 percent) recommendations.

Further, the shareholder governments still do not intend to implement two recommendations relating to the role of government officials and public servants on the ALC Board. Failure to implement these recommendations risks impeding the Board's fiduciary duty to the corporation and its overall effectiveness in providing sound governance.

The auditors general reiterate the importance to shareholder governments of implementing all recommendations in a timely manner to improve governance and business agility of ALC and enhance its public accountability and transparency.

The follow-up report is available at each auditor general's website:

- New Brunswick: www.agnb-vgnb.ca
- Newfoundland and Labrador: www.ag.gov.nl.ca
- Nova Scotia: www.oag-ns.ca
- Prince Edward Island: www.assembly.pe.ca/auditorgeneral

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After two years, the auditors general say all 16 recommendations specific to the board and management were implemented.

While shareholder governments have made progress towards implementing recommendations, the auditors general found they only fully implemented two of nine.

The shareholder governments still do not intend to implement two recommendations relating to the role of government officials and public servants on the board.

The auditors general reiterate the importance to shareholder governments of implementing all recommendations in a timely manner to improve governance and business agility.

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