



## *PRESS RELEASE*



### **The report of the Auditor General of Québec is tabled in the National Assembly – Press Release no. 1**

**Québec, May 31, 2017** – Today, Ms. Guylaine Leclerc, Auditor General, makes public the Spring 2017 Volume. It includes six chapters that describe work carried out this past year.

#### **Observations of the Auditor General, Ms Guylaine Leclerc (Chapter 1)**

This chapter presents the results of two projects carried out recently to improve the implementation rate of recommendations arising from performance audit work, that is, the review of the process for following up on the implementation of recommendations, and the writing of a guide to developing recommendations.

#### **Autorité des marchés financiers: Control Activities and Fonds d'indemnisation des services financiers (Chapter 2)**

The Autorité des marchés financiers does not have the tools and all the information necessary to properly target its interventions based on risks with regard to the insurance sector. Furthermore, its process for following up on irregularities observed in this sector during inspections should be improved. With regard to investigations, the Autorité has difficulty meeting the deadlines it has set for itself to process files. In addition, the Fonds d'indemnisation des services financiers does not fully play its role, that is, to compensate victims of fraud in the identified disciplines.

#### **Contaminated Land Rehabilitation (Chapter 3)**

The audit of the Ministère du Développement durable, de l'Environnement et de la Lutte contre les changements climatiques (MDDELCC) showed, among other things, that the measures taken by the MDDELCC are not sufficient to characterize land within the time prescribed upon the permanent cessation of an activity designated by regulation. Furthermore, the analysis and control mechanisms implemented by the MDDELCC are not consistent and do not make it possible to ensure that the land rehabilitation process is conducted in accordance with regulations, in particular that the set deadlines are met. Finally, the MDDELCC does not properly manage the expert certificate mechanism.

## **Silvicultural Work (Chapter 4)**

The audit of the Ministère des Forêts, de la Faune et des Parcs (MFFP) showed that the process for selecting silvicultural work does not allow for the benefits of this work to be maximized. There is no commitment to performing all the silvicultural treatments defined as conditions for success. Furthermore, economic profitability and the impacts of climate change are scarcely taken into account when selecting treatments, while the budget allocation does not favour the best investments. As for the performance of the work, the MFFP has not justified the high volume of contracts awarded by mutual agreement based on long-term agreements for non-commercial silvicultural work. Moreover, the MFFP does not know whether the silvicultural investments of recent decades have yielded the desired results.

## **Non-Filing of Returns at Revenu Québec – Follow-Up on a Performance Audit (Chapter 5)**

The purpose of this work was to assess the measures that Revenu Québec has implemented to correct the deficiencies raised during the initial audit that covered the processing of the non-filing of returns. Revenu Québec has carried out various types of work to correct the deficiencies raised during the initial audit, but there is still much to be done for these deficiencies to be fully corrected. Nearly four years after the filing of the initial report, only two of the eight recommendations made by the Auditor General have been implemented.

## **Overview of the Follow-Up on the Application of Performance Audit Recommendations (Chapter 6)**

This last chapter deals with the change in the follow-up performed among entities on the implementation of recommendations, starting with a presentation of the new follow-up process in effect as of 2015. The chapter reveals, among other things, that the percentage of action plans received during the last fiscal year that comply with the Auditor General's requirements rose to 81%. In addition, a little over 80% of the Auditor General's recommendations that were the subject of a follow-up were implemented or gave rise to satisfactory progress.

The Highlights are available at [www.vgq.qc.ca](http://www.vgq.qc.ca). The full report and the videos presenting the work results for Chapters 2 to 4 are available only in French.