



NEWS RELEASE

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\$41-million COVID economic aid program for the tourism sector met most guidelines

VICTORIA—A COVID-19 economic recovery program for the tourism sector followed most of government’s required guidelines, but had some minor gaps and inconsistencies, according to an audit by the Office of the Auditor General.

The Ministry of Tourism, Arts, Culture, and Sport expedited its design and launch of Destination Development grants after COVID-related closures led to the loss of 64 per cent of tourism-related jobs.

Grants for small-scale infrastructure projects totalled \$41.4 million and went to 106 local governments, community organizations, and First Nations in 2020 and 2021.

The ministry launched the program within a compressed timeframe, raising the risk of inconsistent application reviews. Auditors looked at whether the ministry designed the program, evaluated applications and monitored projects in accordance with government’s policy and guidelines.

“Government guidelines tell ministries what they need to do when they are setting up grant programs,” Auditor General Michael Pickup said. “Here, the ministry met most of those standards; however, it could improve its evaluation and monitoring processes.”

The audit found that the ministry followed government guidelines. The program obtained the appropriate approvals, set eligibility requirements, and followed procedures for evaluating applications and formalizing funding agreements.

Auditors found that there were minor gaps and inconsistencies related to the evaluation process. For example, some successful applicants were missing information on the reason for approval.

In addition, there were issues related to the timeliness of reporting meaning that the ministry did not always have the most up-to-date information.

The ministry has since established an ongoing program to fund small-scale infrastructure projects that support the tourism sector. The ministry has accepted the audit’s four recommendations for improving the program’s evaluation process, documentation, and monitoring.



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