

MIN_LAE@novascotia.ca

October 28, 2021

Hon. Jill Balser
Minister of Labour, Skills and Immigration
1505 Barrington Street
Halifax, NS B3J 3K5

Minister Balser:

Re: Island Employment

I am writing today regarding the imminent terminations facing 30 Nova Scotia Government and General Employees Union members currently employed with Island Employment in Cape Breton. These skilled career practitioners who have devoted their lives to helping people in Cape Breton find meaningful work in their communities will soon lose their jobs, through no fault of their own.

The issue at hand arises from a *Public Interest Disclosure of Wrongdoing Act* disclosure complaint to the Nova Scotia Ombudsman, filed by members. The disclosure involved numerous allegations to Ombudsman Representatives, mostly related to how Island Employment was spending program funds.

A detailed summary of the complaints can be found on in the 2020-21 Nova Scotia Office of the Ombudsman Annual Report:

https://ombudsman.novascotia.ca/sites/default/files/documents/annual_reports/OmbudsAR-2020-2021.pdf

The case study outlines how the Office of the Ombudsman investigated the allegations under the Public Interest Disclosure of Wrong Act (PIDWA), Nova Scotia's "whistleblower" legislation. The PIDWA is designed to encourage public servants and others to expose perceived wrongdoing in the public service and to protect whistleblowers against reprisals.

Of the four complaints made, the Office of the Ombudsman found merit in three of the allegations under Section 3 (j)(ii) of the PIDWA:

- (ii) A misuse or gross mismanagement of public funds or assets.

In addition, the case study states that they found numerous administrative defects, "including conflicts of interest by employees, uncontrolled spending practices and lack of adherence to government procurement standards, indulgent spending activities related to food, promotional goods and gifts, and inconsistent and inappropriate practices related to travel claims." The investigation also flagged weakness in how the Department of Labour and Advanced Education governed third-party agencies spending public money.

In April 2021, the Nova Scotia Office of the Ombudsman provided LAE and Island Employment with a final report with recommendations that can be found on page 37 of the 2020-21 Annual Report. On October 1st, 2021, NSGEU members working at Island

Employment were informed that the Province was ending its contract six months early, putting everyone out of a job.

In short, the Province has decided to punish the hard-working staff at Island Employment for what poor management within the organization and the failure of the Province to ensure the proper use of government funds. Instead of trying to fix the problem with management and the Board at Island Employment, a decision was made to try and simply sweep the issue under a rug, end the contract and give the positions to another service provider. Even worse, none of the staff were transferred to the new provider but will need to apply for “**their**” jobs, which have now been advertised with new criteria that will make many of these workers ineligible for a job they have already been doing and for lesser pay and benefits than the currently receive.

Many of these workers are also understandably concerned that their reputation has been tainted as a result of the report and the agency’s subsequent closure, and that they will be unable to find meaningful employment in their sector as a result of this action.

Those truly responsible for whatever has taken place must be held to account. The NSGEU is calling for an immediate forensic audit of what has taken place at Island Employment. Furthermore, the NSGEU will be working with members involved to initiate complaints with the Labour Standards Tribunal as it is the Union’s opinion that the government’s decision to cease Island Employment’s operation constitutes a reprisal under Section 31 of the *Public Interest Disclosure of Wrongdoing Act*. In short, instead of dealing directly with the issues outlined in the Nova Scotia Ombudsman Report, government punished everyone involved, including those who first brought the gross mismanagement to the Ombudsman’s attention. These workers should be supported at this time, not punished.

The NSGEU would like to ask you, as the Minister of Labour, Skills and Immigration, why are these workers being punished for failures in management and government oversight?

The NSGEU is calling on government to stop the current process until all recommendations and issues brought forward by the Nova Scotia Ombudsman have been addressed, secondly the NSGEU is calling for an immediate forensic audit in the interest of accountability and thirdly, if the current process is to proceed, that the severance process in the Nova Scotia Civil Service Master Agreement be applied.

I look forward to your reply.



Jason MacLean
President

JML/lb

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