

A wide-angle photograph of a large industrial facility, likely a mine processing plant. The scene is dominated by yellow machinery and walkways. In the foreground, a large yellow circular component, possibly a mill or a hopper, is visible. Above it, a complex network of yellow metal walkways and railings spans across the facility. In the background, a large yellow overhead crane is suspended from the ceiling. The facility has a high ceiling with a white corrugated metal roof and large windows on the right side, allowing natural light to illuminate the space. The overall atmosphere is industrial and well-lit.

# AUDIT PLAN

## 2022/23



## Chief Auditor's Remarks

I am pleased to release the 2022/23 Audit Plan for the Mine Audits Unit (the Audit Unit). This plan identifies the audits the team will prioritize beginning in the 2022/23 fiscal year.

Since the publication of the Audit Plan for 2021/22, we released our second audit report (and our first focused on worker health and safety at B.C. mines): [Worker Protection in Mobile Equipment Near Water \(2022\)](#). This report provided three recommendations to the Ministry of Energy, Mines and Low Carbon Innovation (the Ministry) to strengthen current regulatory requirements, address gaps in the Ministry's incident data and provide clarity related to Ministry outreach and education efforts. The Ministry accepted all three recommendations and developed an [Action Plan](#) to support implementation.

In June 2022, the Ministry also provided the Chief Auditor with a [progress update](#) summarizing actions taken in response to our first audit report: [Code Requirements for Tailings Storage Facilities \(2021\)](#). Per our [Memorandum of Understanding](#), the Ministry has committed to providing the Chief Auditor with annual progress updates on actions taken to address previous audit recommendations. These updates are posted on our website.

With two audits behind us, we were pleased to receive a positive review of the mine audits program from the Office of the Auditor General (OAG) of B.C. In their report titled [Oversight of Major Mines: Policies and Procedures to Address Environmental Risks \(2022\)](#), the OAG commended the creation of the Audit Unit, our policies and procedures, and the Ministry's processes to implement audit recommendations. As a relatively new program, it was encouraging to receive this recognition from a well-established audit office.

Our team has been reflecting on the factors that contributed to the successful release of our first two audits and on areas for improvement. Key among these is the importance of continued engagement with the Ministry, Indigenous peoples and interested parties to ensure their views are considered in our work. Hearing from these groups, understanding their concerns and diving into their ideas helps ensure our audits encompass a range of perspectives and generate a valuable final report.

We are excited to continue working on the audits set out in this plan and to identify further opportunities to support effective mining regulation in B.C.



Karina Sangha  
Chief Auditor

# Background

## MINE AUDITS UNIT

Led by the Chief Auditor, the Audit Unit is a dedicated team in the Ministry. The team evaluates and makes public recommendations to government about the effectiveness of the Ministry's regulatory program in protecting the public, workers and the environment.

## PURPOSE OF THE AUDIT PLAN

Every year, the Chief Auditor publishes an [Audit Plan](#) outlining the audits the Audit Unit will prioritize in that year.

The Audit Plan provides audit teams with a starting point for their work. From there, the teams develop a specific objective, scope and design for each audit based on research and engagement with Indigenous peoples and interested parties (e.g., industry, labour representatives, non-governmental organizations and other regulatory bodies).

Every audit included in the Audit Plan will generally consist of four iterative phases:

- ▶ **Planning** – Gather background information on the audit topic and develop a plan for the audit, summarized as a Terms of Reference on the Audit Unit's website.
- ▶ **Examination** – Collect and analyze data to establish findings and develop a conclusion in response to the audit objective.
- ▶ **Reporting** – Develop and release a report summarizing the audit findings, conclusion and recommendations.
- ▶ **Follow up** – Monitor the Ministry's actions in relation to the audit findings, conclusion and recommendations.

The Chief Auditor may review and adjust the Audit Plan, as necessary. Any changes will be documented and reported in the following year's Audit Plan.

## AUDIT TOPIC SELECTION

The Audit Unit identifies potential audit topics on an ongoing basis through multiple information sources, including Ministry data and previous audit findings. The Audit Unit also accepts topic suggestions from other government staff and external parties, including Indigenous peoples. If a topic is aligned with the Audit Unit's current mandate, it will be meaningfully considered for an audit.

In each annual planning cycle, the Audit Unit prioritizes its current list of potential topics and develops a shortlist for the Chief Auditor's consideration. Prioritization is based on the following factors:

- ▶ **Value** – The potential benefit of performing an audit to provincial mining regulation
- ▶ **Interest** – Different perspectives about the topic and its relative importance to Indigenous peoples and interested parties
- ▶ **Auditability** – The Audit Unit's ability to complete an audit of the topic given available resources, expertise, data and information

The Chief Auditor decides which topics to include in the Audit Plan each year, in consideration of the shortlist of priority topics. Any potential topics not included in the Audit Plan may be considered in future years.

## Priorities in 2022/23

### PLANNED AUDITS

This plan introduces one new audit for 2022/23, as shown below. This audit is not fully scoped, and the description provided is subject to change based on learnings by the audit team during the planning phase.

Audit topic	Description
<b>Confined spaces</b>	<p>Confined spaces are enclosed or partially enclosed spaces (other than underground workings) that are not designed or intended for continuous human occupancy. They have limited or restricted means of entry or exit but are large enough for a person to enter and perform work. Due to these characteristics, confined spaces in the workplace can pose a significant risk of injury and death.</p> <p>In 2006, a tragic incident claimed four lives in a confined space at the decommissioned Sullivan Mine in Kimberley, B.C. This incident prompted revisions to the Health, Safety and Reclamation Code for Mines in British Columbia (the Code) in 2008. This audit will focus on the 2008 Code revisions and supporting actions to prevent a similar tragedy from occurring at B.C. mines.</p>

### AUDITS IN PROGRESS

The Audit Unit has three audits in progress, which are summarized below, including links to each audit's Terms of Reference.

Name	Objective	Current status
<a href="#">Major mine closure</a>	To determine whether the Ministry's regulatory program is setting major mines up to successfully advance the process of mine closure to meet post-mining land uses.	Examination phase
<a href="#">Occupational health and safety committees</a>	To determine whether the Ministry's regulatory program supports the identification of workplace hazards by occupational health and safety committees and the mitigation of those hazards.	Examination phase
<a href="#">Security for exploration activities</a>	To determine whether the process for managing security for exploration activities accounts for mine reclamation and the mitigation of damage to watercourses and cultural heritage resources.	Examination phase

## Future audits

Identified through our annual planning process, the following topics may be considered for future Audit Plans. These topics are broad and may be the subject of more than one audit. This list is subject to change as topics are re-evaluated in each annual planning cycle.

### Potential future audit topics

Abandoned mines	Administrative monetary penalties
Asbestos	Bullying and harassment
Code-required annual reporting	Contractors
Cumulative effects	Dangerous occurrences
Fatigue	Fuel transport and storage
Guarding	Health and safety in the exploration industry
Mine and reclamation plan updates	Mine emergency response
Mine roads and haul roads	Ministry certifications
Permit application requirements	Physical stress
Pits, slopes and dumps	Placer mining
Security for major mines	Variance requests
Ventilation	Water management
Water treatment	

Future Audit Plans may also include follow up audits to verify and assess the Ministry's progress in relation to previous audit findings, conclusions and recommendations.

If you have a topic you would like the Audit Unit to consider, or if you have an interest in any of the topics listed above, please [contact us](#).