



MINISTRY OF AGRICULTURE AND LANDS

The mission of the Ministry of Agriculture and Lands is to promote sustainable food and agriculture systems that are part of the province's economic, environmental and social fabric, and to provide best management of Crown land resources through integrated planning and allocation of rights for the benefit of all citizens.

MINISTRY SUMMARY

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	Estimates 2004/05 ¹	Estimates 2005/06
VOTED APPROPRIATIONS		
Vote 11 — Ministry Operations.....	44,122	78,356
Vote 12 — Agricultural Land Commission.....	1,957	2,068
Vote 13 — Integrated Land Management Bureau.....	57,308	61,189
STATUTORY APPROPRIATIONS		
Crown Land Special Account.....	210,620	141,820
Production Insurance Special Account.....	—	16,000
Less: Transfer from Ministry Operations Vote.....	—	(5,400)
OPERATING EXPENSE	<u>314,007</u>	<u>294,033</u>
PREPAID CAPITAL ADVANCES ²	—	—
CAPITAL EXPENDITURES ³	9,815	13,242
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ⁴	(1,665)	(773)
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁵	—	—
FULLTIME EQUIVALENT (FTE) EMPLOYMENT ⁶	1,029	1,007

NOTES

¹ For comparative purposes only, figures shown for 2004/05 expense, FTEs and capital expenditures have been restated to be consistent with the presentation of the September Update 2005/06 Estimates. Schedule A presents a detailed reconciliation.

² Details of prepaid capital advances are presented in Schedule C.

³ Details of capital expenditures are presented in Schedule D.

⁴ Details of loans, investments and other requirements are presented in Schedule E.

⁵ Details of revenue collected for, and transferred to, other entities are presented in Schedule F.

⁶ Details of FTEs are presented in Schedule G.

CORE BUSINESS SUMMARY

\$000

OPERATING EXPENSE	2004/05	2005/06 ESTIMATES		
	Net	Gross	External Recoveries	Net
Core Business				
Food Industry Development.....	10,120	19,488	(7,772)	11,716
Agriculture and Aquaculture Management.....	7,932	8,737	(175)	8,562
Risk Management (includes special account).....	18,603	31,317	(1,638)	29,679
Crown Land Administration.....	2,445	30,153	(2)	30,151
Executive and Support Services.....	5,022	8,923	(75)	8,848
Agricultural Land Commission.....	1,957	2,069	(1)	2,068
Integrated Land Management Bureau.....	57,308	69,555	(8,366)	61,189
Crown Land Special Account.....	210,620	141,820	—	141,820
TOTAL OPERATING EXPENSES	314,007	312,062	(18,029)	294,033

CAPITAL EXPENDITURES	Net	Disbursements	Receipts	Net
Core Business				
Food Industry Development.....	1,180	1,180	—	1,180
Agriculture and Aquaculture Management.....	485	485	—	485
Risk Management.....	104	170	—	170
Crown Land Administration.....	5	63	—	63
Executive and Support Services.....	98	98	—	98
Agricultural Land Commission.....	50	15	—	15
Integrated Land Management Bureau.....	7,893	11,231	—	11,231
TOTAL CAPITAL EXPENDITURES	9,815	13,242	—	13,242

LOANS, INVESTMENTS AND OTHER REQUIREMENTS	Net	Disbursements	Receipts	Net
Core Business				
Food Industry Development.....	(765)	—	(629)	(629)
Risk Management.....	—	—	—	—
Crown Land Special Account.....	(900)	—	(144)	(144)
TOTAL LOANS, INVESTMENTS AND OTHER REQUIREMENTS.....	(1,665)	—	(773)	(773)

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 11 — MINISTRY OPERATIONS

This vote provides for ministry programs and operations described in the voted appropriations under the following five core businesses: Food Industry Development, Agriculture and Aquaculture Management, Risk Management, Crown Land Administration and Executive and Support Services.

FOOD INDUSTRY DEVELOPMENT

Voted Appropriation

Food Industry Development.....	10,120	11,716
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Voted Appropriation Description: This sub-vote provides for food industry development including competitiveness, resource management and development, agriculture planning with local governments; animal and aquatic animal health; information capture and dissemination; licensing per statutes and regulations; industry awareness, education, facilitation of research and innovation. This sub-vote also provides for specialized technical services to individuals or organizations internal and external to government to achieve objectives. Recoveries are received from the federal government and parties external to government for ministry services provided for in this sub-vote.

AGRICULTURE AND AQUACULTURE MANAGEMENT

Voted Appropriations

Agriculture and Aquaculture Management.....	6,938	7,571
BC Farm Industry Review Board.....	994	991
	<u>7,932</u>	<u>8,562</u>

Voted Appropriations Description: This sub-vote provides for agriculture and aquaculture management including development, planning with local governments; plant health; information capture and dissemination; licensing per statutes and regulations; industry awareness, education, facilitation of research, and innovation. This sub-vote also provides for specialized technical services to individuals or organizations internal and external to government to achieve objectives. This sub-vote also provides for the operation of the Farm Industry Review Board which is responsible for supervising the operations of the marketing boards and commissions formed under the *Natural Products Marketing (BC) Act*, hearing related appeals on regulated marketing issues and for hearing complaints and conducting inquiries related to farm practices under the *Farm Practices Protection (Right to Farm) Act*. Recoveries are received from the federal government and parties external to government for ministry and Farm Industry Review Board services provided for in this sub-vote.

RISK MANAGEMENT

Voted Appropriation

Risk Management.....	18,603	19,079
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Statutory Appropriation

Production Insurance Special Account.....	—	16,000
Transfer from Ministry Operations Vote.....	—	(5,400)
	<u>18,603</u>	<u>29,679</u>

Voted Appropriation Description: This sub-vote provides for the management of provincial and federal-provincial agriculture risk management programs and insurance schemes and funding of programs and trusts. Recoveries are received from the federal government and parties external to government for ministry services and programs provided for in this sub-vote.

Statutory Appropriations Description: This statutory appropriation provides for the Production Insurance Account which is governed under the *Special Accounts Appropriations and Control Act*. Authority to operate the Production Insurance scheme is derived from the *Insurance for Crops Act*.

OPERATING EXPENSE BY CORE BUSINESS (Continued)

\$000

	Estimates 2004/05	Estimates 2005/06
CROWN LAND ADMINISTRATION		
Voted Appropriations		
Land Policy Program.....	2,445	969
Crown Land Tenure Management.....	—	7,495
Contaminated Sites Program.....	—	21,687
	<u>2,445</u>	<u>30,151</u>
Voted Appropriations Description: This sub-vote provides for the development and implementation of strategic and operational policy and legislation associated with Crown land administration across the Province. It includes a wide range of Crown land administrative activities including support to regional Crown land adjudication processes, Aboriginal relations, establishing fee rates, determining optimal development and use of Crown land, developing decision-support tools, ensuring compliance, public reporting, support to land use planning, intergovernmental relations and the management, assessment and remediation of contaminated sites on Crown land. Costs may be recovered from other ministries, other levels of government, organizations and individuals for services described within this sub-vote.		
EXECUTIVE AND SUPPORT SERVICES		
Voted Appropriations		
Minister's Office.....	870	520
Corporate Services.....	4,152	8,328
	<u>5,022</u>	<u>8,848</u>
Voted Appropriations Description: This sub-vote provides for the office of the Minister for Agriculture and Lands and includes salaries, benefits, allowances and operating expenses of the minister's staff. This sub-vote also provides for the executive direction and administrative services for the operating programs of the ministry, including finance, administration and budget coordination, strategic and business planning and reporting, human resources, office management and accommodation, information management services and systems, and freedom of information, protection of privacy and records management. Recoveries are received from the federal government and parties external to government for ministry services provided for in this sub-vote.		
VOTE 11 — MINISTRY OPERATIONS	44,122	78,356
STATUTORY — SPECIAL ACCOUNT	—	16,000

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 12 — AGRICULTURAL LAND COMMISSION

This vote provides for the operations described in the voted appropriations under the core business Agricultural Land Commission.

AGRICULTURAL LAND COMMISSION

Voted Appropriation

Agricultural Land Commission.....	<u>1,957</u>	<u>2,068</u>
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Voted Appropriation Description: This vote provides for the operation of the Agricultural Land Commission. Under the *Agricultural Land Commission Act*, the commission is responsible for preserving the scarce supply of agricultural land in the province through policies and programs that foster long-term sustainability and encourage farm businesses. The commission responds to the needs of farmers, landowners, applicants, local governments and others. A portion of fees for the applications made under the *Agricultural Land Commission Act* are retained by local governments for services provided in the application process. Costs are recovered from ministries and organizations and individuals for services described within this vote.

VOTE 12 — AGRICULTURAL LAND COMMISSION	1,957	2,068
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MINISTRY OF AGRICULTURE AND LANDS

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 13 — INTEGRATED LAND MANAGEMENT BUREAU

This vote provides for the operations described in the voted appropriation under the core business Integrated Land Management Bureau.

INTEGRATED LAND MANAGEMENT BUREAU

Voted Appropriations

Client Services Delivery.....	10,603	26,554
Species at Risk Coordination.....	—	626
Resource Information Management.....	40,658	21,185
Bureau Management.....	6,047	12,824
	<u>57,308</u>	<u>61,189</u>

Voted Appropriations Description: This vote provides for management of Crown land, resources and information. This sub-vote includes a coordinated approach for the recovery of broad-ranging species at risk, development and maintenance of strategic and operational land use plans and provincial base maps; and administration and delivery of programs that collect, record, manage and co-ordinate land and natural resource data, including Crown land tenures. This sub-vote provides for negotiation and reconciliation with First Nations, regional economic development through "single point of contact" centres; and development of strategic partnerships with other governments, industry, academia and organizations. The regional offices provide access to Crown land and resources, including applications, permits, licences, tenures and related authorizations, and interpretive services for resource information, maps and resource management plans.

This vote also provides for partial operational funding for the Office of the Minister of State for Resort Development, and for the executive direction and administration of the bureau including finance, administration, strategic human resources, information management services and systems, information and privacy, land and other revenue collection and trust fund management for the bureau operations, programs and clients. Transfers from other resource agencies are provided for activities concerned with sustainable resource use and land-related activities and processes. Costs are recovered from ministries, other levels of government, organizations and individuals for services described within this sub-vote.

VOTE 13 — INTEGRATED LAND MANAGEMENT BUREAU

57,308

61,189

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

STATUTORY — CROWN LAND

This statutory account provides for operations described in the statutory appropriation under the core business Crown Land.

CROWN LAND

Statutory Appropriation

Crown Land Special Account.....	210,620	141,820
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Statutory Appropriation Description: This statutory account provides for the Crown Land Special Account.

STATUTORY - SPECIAL ACCOUNT	210,620	141,820
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MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

Salaries and Benefits	72,968	74,142
Operating Costs	47,815	70,899
Government Transfers	229,496	165,263
Other Expenses	510	21,405
Internal Recoveries	(17,342)	(19,647)
External Recoveries	(19,440)	(18,029)
TOTAL OPERATING EXPENSE.....	314,007	294,033

SPECIAL ACCOUNT¹

\$000

CROWN LAND

This account was originally created as a fund by authority of Section 7 of the *Department of Housing Act*, 1973, was replaced by the Crown Land Fund effective July 31, 1979 pursuant to the *Ministry of Lands, Parks and Housing Act*, and was changed to a Special Account under the *Special Accounts Appropriations and Control Act*, 1982.

Revenue sources include land sales, land exchanges, land tenures, royalty revenues, interest income, sales of density allotments pursuant to community plans, and fees. Costs of development reflect those costs directly associated with the acquisition, servicing, development and disposition of Crown land. Expenses include costs such as reporting, clean-up and Crown land servicing. Receipts represent repayment of outstanding loans and deposits made on pending sales.

This Special Account now includes the write-up from book value to market value (revenue) and related expenses associated with providing Free Crown Grants and Nominal Rent Tenures at less than fair market value, in accordance with generally accepted accounting principles. Free Crown Grants are grants of Crown land, and Nominal Rent Tenures are leases of Crown land to organizations inside or outside of the government reporting entity, usually provided free or at a nominal value. An expense budget is provided based on an assessment of requirements for Free Crown Grants or Nominal Rent Tenures. As write-ups to fair market value (revenue) are fully offset by grant transfers (expense) to beneficiaries, these transactions do not impact the bottom line for the Special Account or the government's summary accounts.

	Estimates 2004/05	Estimates 2005/06
SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR².....	50,000	50,000
OPERATING TRANSACTIONS		
CROWN LAND		
Revenue.....	107,028	71,382
Less: Cost of Development.....	(29,488)	(11,390)
	77,540	59,992
Expense.....	(20)	(20)
Net Revenue (Expense).....	77,520	59,972
FREE CROWN GRANTS AND NOMINAL RENT TENURES ³		
Revenue.....	210,600	141,800
Expense:		
– Ministry of Community Services.....	(9,500)	(13,500)
– Ministry of Health.....	(6,000)	(200)
– Ministry of Economic Development.....	—	(18,000)
– Ministry of Transportation.....	(100)	(55,100)
– Ministry of Environment.....	(95,000)	(15,000)
– Renewal of Nominal Rent Tenures.....	(100,000)	(30,000)
– Contingency ⁴	—	(10,000)
Total Expense.....	(210,600)	(141,800)
Net Revenue (Expense).....	—	—
Difference Between 2004/05 Estimates and Actual Net Revenue (Expense).....	38,295	
Transfer to the General Fund.....	(85,275)	(60,116)
FINANCING TRANSACTIONS		
Loans, Investments and Other Requirements		
Receipts.....	900	144
Net Cash Source (Requirement).....	900	144
Working Capital Adjustments and Other Spending Authority Committed ⁵	(31,440)	—
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR².....	50,000	50,000

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Projected Spending Authority Available represents the cash and temporary investments projected to be available at the end of the fiscal year. The Spending Authority Available at the beginning of the fiscal years 2004/05 and 2005/06 are based on the 2003/04 and 2004/05 Public Accounts, respectively.

³ Expenses and revenues reflect the net difference between the fair market value and book value of Crown Land granted free or leased for a nominal fee.

⁴ A contingency is included to enable provision of free crown grants and nominal rent tenures that were not anticipated by the province but which are deemed to be in the public interest.

⁵ The Working Capital Adjustment and Other Spending Authority Committed includes those adjustments that would change the cash balance of the Special Account. This may include amortization expense, changes in accounts receivable and payable, the recognition of deferred revenues and the endowment of the account, which can not be spent.

SPECIAL ACCOUNT¹

\$000

PRODUCTION INSURANCE

This account is established as a special account effective April 1, 2005 by Section 9.2 of the *Special Account Appropriations and Control Act* and replaces the Crop Insurance Fund created by a regulation under the *Insurance for Crops Act*. The Production Insurance Program, through an insurance scheme, stabilizes farm income by minimizing, at an individual level, the detrimental economic effects of crop losses due to uncontrollable natural perils. The purpose of the this account is to receive production insurance premiums from the federal government, the province, and producers. This account also receives interest on accumulated funds. Expenses include indemnification payments to producers, reinsurance premiums to third parties, and any costs of adjustments. No financing transactions are provided for under this account.

	Estimates 2004/05	Estimates 2005/06
SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR².....	—	—
OPERATING TRANSACTIONS		
Revenue.....	—	10,600
Revenue from Appropriation.....	—	33,400
Expense.....	—	(16,000)
Net Revenue (Expense).....	—	28,000
FINANCING TRANSACTIONS		
Loans, Investments and Other Requirements		
Receipts.....	—	—
Disbursements - Capital.....	—	—
Disbursements - Other.....	—	—
Net Cash Source (Requirement).....	—	—
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR².....	—	28,000

NOTES

¹ A Special Account is an account in the General Fund where the authorization to spend money from the account is located in an Act other than the *Supply Act*.

² The Projected Spending Authority Available represents the cash and temporary investments projected to be available at the end of the fiscal year. The Spending Authority Available at the beginning of the fiscal year 2005/06 is based on the 2004/05 Public Accounts.

LOANS, INVESTMENTS AND OTHER REQUIREMENTS BY CORE BUSINESS

\$000

Estimates
2004/05Estimates
2005/06**FOOD INDUSTRY DEVELOPMENT**

AGRICULTURE CREDIT ACT — Receipts represent principal repayments on outstanding loans issued under the *Agriculture Credit Act* which was terminated on March 31, 1995. The *Miscellaneous Statutes Amendments Act, 2003*, provides the provisions for the loan repayments.

Receipts.....	765	629
Disbursements.....	—	—
Net Cash Source (Requirement).....	<u>765</u>	<u>629</u>

RISK MANAGEMENT

PRODUCTION INSURANCE STABILIZATION — Disbursements are provided to cover deficits in the Production Insurance Trust Account that may arise due to payment of indemnity claims in excess of premiums and other revenue in the trust account. These advances are fully recovered from Production Insurance Program premium revenue in subsequent years (receipts). The Production Insurance Trust Account was dissolved on March 31, 2005 and has been replaced with the Production Insurance Special Account.

Receipts.....	3,000	—
Disbursements.....	<u>3,000</u>	—
Net Cash Source (Requirement).....	<u>—</u>	<u>—</u>