



MINISTRY OF FORESTS AND RANGE

The mission of the Ministry of Forests and Range and the Minister responsible for Housing and Homelessness is to protect, manage and conserve forest and range values through a high performing organization. The minister is also responsible for providing leadership in meeting the housing needs of all British Columbians by enabling a range of housing choices.

MINISTRY SUMMARY

(\$000)

	Estimates 2004/05 ¹	Estimates 2005/06
VOTED APPROPRIATIONS		
Vote 31 — Ministry Operations.....	326,737	418,644
Vote 32 — Direct Fire.....	55,380	55,380
Vote 33 — Housing and Homelessness.....	190,311	207,701
STATUTORY APPROPRIATIONS		
BC Timber Sales Special Account.....	131,800	148,395
Forest Stand Management Fund Special Account.....	1,490	—
South Moresby Forest Replacement Special Account.....	3,000	25,500
OPERATING EXPENSE	<u>708,718</u>	<u>855,620</u>
PREPAID CAPITAL ADVANCES ²	—	—
CAPITAL EXPENDITURES ³	13,819	23,392
LOANS, INVESTMENTS AND OTHER REQUIREMENTS ⁴	72,491	83,798
REVENUE COLLECTED FOR, AND TRANSFERRED TO, OTHER ENTITIES ⁵	—	—
FULLTIME EQUIVALENT (FTE) EMPLOYMENT ⁶	3,038	3,320

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

2004/05

2005/06 ESTIMATES

OPERATING EXPENSE	2004/05		2005/06 ESTIMATES	
	Net	Gross	External Recoveries	Net
Core Business				
Protection Against Fire and Pests.....	96,638	141,289	(13,851)	127,438
Forest Stewardship (includes special accounts).....	31,840	92,223	(7,783)	84,440
Range Stewardship and Grazing.....	4,202	4,919	—	4,919
Compliance and Enforcement.....	25,609	25,609	—	25,609
Forest Investment.....	85,000	93,250	(4,250)	89,000
Pricing and Selling Timber.....	95,076	126,553	(6,977)	119,576
Executive and Support Services.....	48,242	48,607	(65)	48,542
BC Timber Sales Special Account.....	131,800	148,702	(307)	148,395
Housing and Homelessness.....	190,311	207,701	—	207,701
TOTAL OPERATING EXPENSES	708,718	888,853	(33,233)	855,620

CAPITAL EXPENDITURES	2004/05		2005/06 ESTIMATES	
	Net	Disbursements	Receipts	Net
Core Business				
Protection Against Fire and Pests.....	2,430	3,360	—	3,360
Forest Stewardship.....	2,498	5,023	—	5,023
Range Stewardship and Grazing.....	—	6	—	6
Compliance and Enforcement.....	1,911	1,911	—	1,911
Pricing and Selling Timber.....	3,848	3,848	—	3,848
Executive and Support Services.....	1,383	7,698	—	7,698
BC Timber Sales.....	990	990	—	990
Housing and Homelessness.....	759	556	—	556
TOTAL CAPITAL EXPENDITURES	13,819	23,392	—	23,392

LOANS, INVESTMENTS AND OTHER REQUIREMENTS	2004/05		2005/06 ESTIMATES	
	Net	Disbursements	Receipts	Net
Core Business				
BC Timber Sales.....	72,491	83,798	—	83,798
TOTAL LOANS, INVESTMENTS AND OTHER REQUIREMENTS.....	72,491	83,798	—	83,798

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 31 — MINISTRY OPERATIONS

This vote provides for ministry programs and operations described in the voted appropriations under the following seven core businesses: Protection Against Fire and Pests, Forest Stewardship, Range Stewardship and Grazing, Compliance and Enforcement, Forest Investment, Pricing and Selling Timber and Executive and Support Services.

PROTECTION AGAINST FIRE AND PESTS

Voted Appropriation

Protection Against Fire and Pests.....	41,258	<u>72,058</u>
----------------------------------------	--------	---------------

Voted Appropriation Description: This sub-vote provides for forest protection including fire prevention control in accordance with applicable legislation throughout the province and includes: (a) Fire Preparedness - provides for fire prevention; the infrastructure, personnel, equipment and supplies required to maintain a consistent state of readiness to control and suppress wild fires; and associated research and development. Costs related to the provision of supplies and services may be recovered from other agencies and levels of government, provinces, countries, companies, organizations, individuals and from annual rent paid into the Consolidated Revenue Fund and timber licence holders and (b) Forest Health - provides for forest health activities on Parks and Protected Areas, some viewscapes, crown land, urban areas, and other special sites.

FOREST STEWARDSHIP

Voted Appropriation

Forest Stewardship.....	27,350	<u>58,940</u>
-------------------------	--------	---------------

Statutory Appropriations

Forest Stand Management Fund Special Account.....	1,490	—
South Moresby Forest Replacement Special Account.....	3,000	<u>25,500</u>
	<u>31,840</u>	<u>84,440</u>

Voted Appropriation Description: This sub-vote provides for provincial forest stewardship and management at provincial, regional and district levels including forest reforestation practices; timber supply planning and determination; control of invasive alien plants; recreation; forest health management; applied research and forest gene resource management; reforestation on land under crown responsibility; and resources inventory. Costs of supplies and services may be recovered from ministries, other levels of government, agencies, organizations and individuals.

Statutory Appropriations Description: This statutory appropriation provides for the Forest Stand Management Fund Special Account and for the South Moresby Forest Replacement Special Account.

RANGE STEWARDSHIP AND GRAZING

Voted Appropriation

Range Stewardship and Grazing.....	4,202	<u>4,919</u>
------------------------------------	-------	--------------

Voted Appropriation Description: This sub-vote provides for ensuring sound environmental stewardship of the range resource, through the regulation of range practices and forage supply management including allocating, administering and managing range use and grazing leases; evaluating rangeland health and effectiveness of range practices; restoring degraded rangeland ecosystems; and promoting and fostering rangeland use and management. Costs of supplies and services may be recovered from ministries, other levels of government, agencies, organizations and individuals.

COMPLIANCE AND ENFORCEMENT

Voted Appropriation

Compliance and Enforcement.....	25,609	<u>25,609</u>
---------------------------------	--------	---------------

Voted Appropriation Description: This sub-vote provides for all activities related to upholding British Columbia laws to protect the province's forest and range resource under the jurisdiction of the Ministry of Forests and Range including enforcing environmental standards for forest and range management for government and forest and range tenure holders; enforcing revenue policies; combating forest crimes; enforcing regulations to minimize fires, pests and other agents; and enforcing rules governing the use of forest service recreation sites and trails.

OPERATING EXPENSE BY CORE BUSINESS (Continued)

\$000

	Estimates 2004/05	Estimates 2005/06
FOREST INVESTMENT		
Voted Appropriation		
Forest Investment.....	85,000	89,000
Voted Appropriation Description: This sub-vote provides for investments in enhanced forest management; resource planning; forest research; silviculture treatments of damaged forests; development and provision of reforestation material and conservation of forest gene resources; forest, range and recreation conservation and protection; the Crown portion of Woodlot licence and Community Forest Agreement areas; strategic land use and sustainable resource management planning; product development; development of markets for British Columbia forest products; and forest sector reform. Planning, administration and delivery is provided through ministries, licensees and third-party agreements. Costs of supplies and services may be recovered from other levels of government, agencies, organizations and individuals.		
PRICING AND SELLING TIMBER		
Voted Appropriations		
Pricing and Selling Timber.....	66,155	80,655
First Nations' Participation.....	28,921	38,921
	95,076	119,576
Voted Appropriations Description: This sub-vote provides for headquarters, regional, and district activities related to timber tenure administration, timber pricing, access to markets, community diversification and stability for forest dependent communities; research and development of wood products; meeting obligations with First Nations; First Nations' participation in the forest economy; and building and maintaining forest service road and bridge infrastructure to provide access to timber. Costs of supplies and services may be recovered from other ministries, other levels of government, agencies, organizations, individuals and for fees received from log exports.		
EXECUTIVE AND SUPPORT SERVICES		
Voted Appropriations		
Ministers' Office.....	618	618
Corporate Governance.....	47,624	47,924
	48,242	48,542
Voted Appropriations Description: The sub-vote provides for executive direction and related support services to the ministry including the office of the Minister of Forests and Range and the Minister of State for Forestry Operations, and includes salaries, benefits, allowances and operating expenses of the minister and the minister's staff; corporate governance and service delivery activities for strategic policy, performance management, legislation development, finance, human resources, Freedom of Information, executive and executive support, regional and district staff, continuous improvement, best practices initiatives, and information technology strategy and central infrastructure. Funding is also provided for strategic initiatives, such as Forest Policy implementation. Transfers are provided for the integrated management of forest and rangelands. Costs related to the provision of supplies and services may be recovered from other ministries and levels of governments, agencies, organizations and individuals.		
VOTE 31 — MINISTRY OPERATIONS	326,737	418,644
STATUTORY — SPECIAL ACCOUNTS	4,490	25,500

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

VOTE 32 — DIRECT FIRE

This vote provides for the operations described in the voted appropriations under the core business Protection against Fire and Pests.

PROTECTION AGAINST FIRE AND PESTS

Voted Appropriation

Direct Fire.....	<u>55,380</u>	<u>55,380</u>
------------------	---------------	---------------

Voted Appropriation Description: This sub-vote provides for forest protection including fire prevention control in accordance with applicable legislation throughout the province, control and suppression of wild fires, and ex gratia payments related to these activities and rehabilitation costs. This sub-vote allows for statutory appropriation for fire control under the *Wildfire Act*. Costs related to the provision of supplies and services are recovered from other agencies and other levels of government, provinces, countries, companies, organizations and individuals.

VOTE 32 — DIRECT FIRE

55,380

55,380

MINISTRY OF FORESTS AND RANGE

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05Estimates
2005/06**VOTE 33 — HOUSING AND HOMELESSNESS**

The vote provides for the operations described in the voted appropriations under the core business Housing and Homelessness.

HOUSING AND HOMELESSNESS**Voted Appropriation**

Housing and Homelessness.....	190,311	207,701
-------------------------------	---------	----------------

Voted Appropriation Description: This sub-vote provides for housing programs including housing, building and safety policy development, residential tenancy information and landlord-tenant dispute resolutions services, administration of British Columbia Building and Fire Codes, the *Safety Standards Act*, the *Safety Authority Act* and the *Residential Tenancy Act*. Government transfers are provided to the British Columbia Housing Management Commission for the protection and enhancement of the supply of adequate and affordable housing including the Shelter Aid For Elderly Renters program, the emergency shelter program and for land acquisitions intended for social housing sold at less than market value by the Crown. Government transfers are also provided to the Homeowner Protection Office for assistance to individuals under the Provincial Sales Tax Relief Grant Program.

VOTE 33 — HOUSING AND HOMELESSNESS

190,311

207,701

OPERATING EXPENSE BY CORE BUSINESS

\$000

Estimates
2004/05

Estimates
2005/06

STATUTORY — BC TIMBER SALES

This statutory account provides for program and operations described in the statutory appropriation under the core business BC Timber Sales.

BC TIMBER SALES

Statutory Appropriation

BC Timber Sales Special Account.....	131,800	<u>148,395</u>
--------------------------------------	---------	----------------

Statutory Appropriation Description: This statutory appropriation provides for the BC Timber Sales Special Account.

STATUTORY - SPECIAL ACCOUNT	131,800	<u>148,395</u>
------------------------------------	---------	----------------

MINISTRY GROUP ACCOUNT CLASSIFICATION SUMMARY

GROUP ACCOUNT CLASSIFICATION

Salaries and Benefits	178,170	226,112
Operating Costs	342,672	381,439
Government Transfers	211,915	284,033
Other Expenses	4,089	18,444
Internal Recoveries	(4,997)	(21,175)
External Recoveries	<u>(23,131)</u>	<u>(33,233)</u>
TOTAL OPERATING EXPENSE.....	<u>708,718</u>	<u>855,620</u>

SPECIAL ACCOUNT¹

\$000

BC TIMBER SALES

This account was established in 1988 through an amendment to section 109 of the *Forest Act*. The purpose of the account is to identify all revenues for BC Timber Sales and to provide an ongoing source of funds to defray the costs of the program. Revenue is collected from the following sources: upset stumpage, bonus stumpage, annual fees and billings (annual rent, trespass charges, scaling fees and registration fees) incidental to the operation of the program, and sales of logs. Expenses are for preparing forest development plans and logging plans; assessments required to formulate these plans for timber sales licences; costs of meeting requirements of applicable legislation; construction and maintenance of logging roads and bridges; costs of developing timber sales for auction; protection of forests; administration; costs of selling timber and logs; and other forest management requirements incidental to the program. Costs of supplies and services may be recovered from ministries, other levels of government, agencies, organizations and individuals. Revenue in excess of current expenses and outstanding obligations is transferred to the General Fund. Disbursements reflect capitalizable costs incurred for development of timber for sale in future years. These costs are recovered from future sales revenue.

	Estimates 2004/05	Estimates 2005/06
SPENDING AUTHORITY AVAILABLE AT THE BEGINNING OF THE FISCAL YEAR².....	98,157	45,128
OPERATING TRANSACTIONS		
Revenue.....	252,857	301,572
Expense.....	(131,800)	(148,702)
Internal and External Recoveries.....	—	307
Net Revenue (Expense).....	<u>121,057</u>	<u>153,177</u>
Difference Between 2004/05 Estimates and Actual Net Revenue (Expense).....	(89,151)	
Transfer to the General Fund.....	(37,565)	(69,379)
FINANCING TRANSACTIONS		
Loans, Investments and Other Requirements		
Receipts.....	—	—
Disbursements - Capital.....	(990)	(990)
Disbursements - Other.....	(72,491)	(83,798)
Net Cash Source (Requirement).....	<u>(73,481)</u>	<u>(84,788)</u>
Difference Between 2004/05 Estimates and Actual Net Cash Source (Requirement).....	25,745	
Working Capital Adjustments and Other Spending Authority Committed ³	366	50
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR².....	<u>45,128</u>	<u>44,188</u>

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 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

FOREST STAND MANAGEMENT FUND

This account was originally established as a fund by the *Forest Stand Management Fund Act* in 1986, and was changed to a Special Account under the *Special Accounts Appropriation and Control Act* in 1988. Expenses provide for enhanced management of British Columbia's forest and rangelands, for silviculture work and costs related to environmental remediation performed in accordance with applicable legislation, for the costs of investigating contravention of applicable legislation, for fire suppression costs related to contraventions of applicable legislation where a penalty has been levied in respect of the contravention, for reforestation and road deactivation in areas subject to stumpage levies. Recoveries are collected in accordance with applicable legislation; penalties levied in accordance with applicable legislation; and stumpage levies. 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.....	16,131	16,741
OPERATING TRANSACTIONS		
Revenue.....	4,646	—
Expense.....	(1,490)	(5,293)
Internal and External Recoveries.....	—	5,293
Net Revenue (Expense).....	3,156	—
Difference Between 2004/05 Estimates and Actual Net Revenue (Expense).....	(3,156)	
FINANCING TRANSACTIONS		
Loans, Investments and Other Requirements		
Receipts.....	—	—
Disbursements - Capital.....	—	—
Disbursements - Other.....	—	—
Net Cash Source (Requirement).....	—	—
Working Capital Adjustments and Other Spending Authority Committed ³	610	—
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR².....	16,741	16,741

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 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

SOUTH MORESBY FOREST REPLACEMENT

This account was established by the *South Moresby Implementation Act*, in 1988. The purpose of this account is to offset the decrease in forest land available for harvest due to the creation of the South Moresby National Park by funding incremental silviculture and other activities on coastal forest lands. This account may receive contributions from the Consolidated Revenue Fund, the federal government and accrued interest. 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.....	25,929	25,388
OPERATING TRANSACTIONS		
Revenue.....	711	160
Expense.....	(3,000)	(25,500)
Net Revenue (Expense).....	(2,289)	(25,340)
Difference Between 2004/05 Estimates and Actual Net Revenue (Expense).....	1,835	
FINANCING TRANSACTIONS		
Loans, Investments and Other Requirements		
Receipts.....	—	—
Disbursements - Capital.....	—	—
Disbursements - Other.....	—	—
Net Cash Source (Requirement).....	—	—
Working Capital Adjustments and Other Spending Authority Committed ³	(87)	—
PROJECTED SPENDING AUTHORITY AVAILABLE AT THE END OF THE FISCAL YEAR².....	25,388	48

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 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.