

**Ministry of
Forests, Lands and
Natural Resource Operations**

**2016/17
Annual Service Plan Report**



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Minister's Message and Accountability Statement



The Ministry of Forests, Lands and Natural Resource Operations was created to be the province's "land manager" and is responsible for the stewardship of provincial Crown land and natural resources, and protecting B.C.'s archaeological and heritage resources. The ministry is responsible for policy development, operational management and implementation related to all or part of 59 statutes and associated regulations.

The integrated approach to natural resource management decisions provides coordination between agencies and organizations, and an efficient system to support B.C. workers, businesses, investors and the environment.

During 2016/17, we released *Strong Past, Bright Future: A Competitiveness Agenda for B.C.'s Forest Sector*. The agenda has three inter-related goals: healthy, resilient forests; globally competitive and diverse industry; and stable communities and First Nations. Supporting actions for the value-added sector and pulp and paper sector were released at the same time.

Key to healthy, resilient forests is our additional investment of \$150 million to the Forest Enhancement Society of B.C.

We continue to lead the implementation of ecosystem-based management of the Great Bear Rainforest through the *Great Bear Rainforest (Forest Management) Act*, which received Royal Assent on May 19, 2016 and was brought into force on January 1, 2017.

In pursuit of the goal of a globally competitive sector, I led my fifth Forestry Trade Mission to China and Japan in Fall 2016. Expanding markets in Asia is more important than ever in light of the renewed softwood lumber dispute with the U.S. To that end, we've been working closely with B.C. companies and the federal government on the current litigation and to keep open the possibility of new negotiations that could lead to a managed softwood lumber agreement with the U.S.

We have also been able to award new community forest agreements and many new forest tenure opportunity agreements with First Nations to increase their participation in the forest economy.

In March, we successfully moved more hunting licence services online, and were also able to contribute \$300,000 to the Off-Road Vehicle Trail Account. The funds, from off-road vehicle licences, will be used to help build new trails.

As manager for the commercial and recreational activities that occur on Crown land, this ministry will continue to build a natural resource sector in B.C. that is sustainable and environmentally responsible, while contributing to a strong economy and a lasting legacy for generations to come.

The *Ministry of Forests, Lands and Natural Resource Operations 2016/17 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2016/17 - 2018/19 Service Plan*. I am accountable for those results as reported.

A handwritten signature in black ink that reads "Steve Thomson". The signature is fluid and cursive, with a long horizontal line extending from the end.

Honourable Steve Thomson
Minister of Forests, Lands and Natural Resource Operations
June 16, 2017

Minister of State's Message and Accountability Statement



On October 21, 2016, I was appointed Minister of State for Rural Economic Development with a clear mandate to work with the Minister of Forests, Lands and Natural Resource Operations to look at ways to grow rural economies around the province. I am accountable for regular reports to government on the rural development mandate.

To support government's commitment to rural development, over the past year I chaired the B.C. Rural Advisory Council (RAC), formed in 2015, to advise government on rural issues.

Rural communities are the backbone of B.C.'s economy and way of life.

With input from the RAC, B.C.'s *Rural Economic Development Strategy: Building on our Rural Advantages* was released in March 2017. The Strategy provides rural British Columbians with tools to shape their own future. It also highlights government's ongoing commitment to families and businesses in rural areas.

In 2016/17, I also participated in the Rural Education Review. It was a great opportunity to engage with rural stakeholders and gain perspective on the importance of rural education and the effects school closures have on small communities.

In 2015, a key RAC recommendation resulted in the implementation of the BC Rural Dividend. The \$25-million per year program provides funding to eligible communities of less than 25,000 in four categories: community capacity building, workforce development, community and economic development, and business sector development. I'm proud to report that in its first full year of operation the Rural Dividend invested over \$24 million in 311 projects around the province.

The *Minister of State for Rural Economic Development 2016/17 Annual Service Plan Report* compares the Ministry's actual results to the expected results identified in the *2016/17 - 2018/19 Service Plan*. I am accountable for those results as reported.

A handwritten signature in black ink, appearing to read 'Donna Barnett'. The signature is fluid and cursive, written over a horizontal line.

Honourable Donna Barnett
Minister of State for Rural Economic Development
June 16, 2017

Table of Contents

Minister’s Message and Accountability Statement.....	3
Minister of State’s Message and Accountability Statement	4
Purpose of the Ministry.....	6
Strategic Direction and Context.....	6
Report on Performance	7
Goals, Objectives, Strategies and Performance Results	8
Ministry Financial Report.....	20
Discussion of Results.....	20
Financial Report Summary Table	21
Major Capital Projects	23
Natural Resource Permitting Project (NRPP).....	23
Forest Practices Board Financial Report.....	24
Appendix A - Contact Information and Hyperlinks	25
Appendix B - List of Crowns, Agencies, Boards and Commissions	27
Appendix C - Minister’s Mandate and Actions Summary.....	28

Purpose of the Ministry

The Ministry of Forests, Lands and Natural Resource Operations is the Province's land manager, responsible for stewardship of provincial Crown land, cultural and natural resources. Operating on a provincial land base of over 94 million hectares, the ministry ensures the sustainable management of forest, wildlife, and other land-based resources, supports activities that provide benefits for all British Columbians both economically and environmentally, and facilitates safe public access to a wide range of recreational activities such as hunting, fishing and access to British Columbia's wilderness and backcountry. The ministry is responsible for policy development, operational management and implementation, and oversees all or part of [59 statutes and associated regulations](#).

Strategic Direction and Context

The ministry delivers integrated natural resource services for British Columbians. In delivering this mandate, the ministry has focussed on the strategic priorities identified in the [Province of British Columbia Strategic Plan](#), the [BC Jobs Plan](#), the [Minister's Mandate Letter](#) and the [Minister of State's Mandate Letter](#) (see Appendix C). Its goals, objectives and strategies have supported the achievement of these priorities, and are in keeping with Government's [Taxpayer Accountability Principles: Strengthening Public Sector Governance and Accountability](#).

The ministry operates within a complex economic and ecological environment, with multiple external influences impacting its work. Some of these factors are discussed below.

Facilitating jobs and economic growth. Many B.C. communities depend on the natural resource sector to employ their citizens and strengthen their economies. B.C.'s forest sector is responsible for \$14 billion of the province's total exports and is the primary employer in many parts of the province. Forestry related activities directly support over 7,000 businesses and directly employ nearly 60,000 people. The ministry's management of natural resources, including water, wildlife, use of Crown lands, eco-tourism, and opportunities for outdoor recreation also contributes to local economies. A reduction in timber supply due to the impacts of the mountain pine beetle infestation, however, is anticipated to impact forest sector employment in logging, forestry services and manufacturing. In response, the ministry has continued to place a strong focus on strengthening the forest sector and supporting rural communities to diversify and strengthen their local economies. Through Forestry Innovation Investment Ltd., the Province also continues to work to maintain and expand access for B.C. forest products in existing and emerging markets such as India, China and Japan.

B.C.'s Economy:

British Columbia's real GDP increased by 3.7 per cent in 2016 (according to preliminary GDP by industry data from Statistics Canada), the strongest growth among provinces. Employment in B.C. grew by 3.2 per cent in 2016, its fastest annual pace since 1994. Consumer spending was strong for a third consecutive year as retail sales were supported by strong employment growth, increased tourism, interprovincial migration and low interest rates. B.C.'s housing market saw elevated levels of activity in 2016, with the highest number of annual housing starts since 1993. B.C. manufacturing shipments and exports expanded in 2016 as goods exports to both the U.S. and the rest of the world increased.

The ministry is working closely with the federal government, other provinces, and the forest industry to try to resolve the softwood lumber dispute with the U.S.

The ministry has worked to improve the competitive environment for business and public access to ministry programs through various red tape reduction initiatives and e-licensing platforms, full participation in the [Natural Resource Permitting Project](#), and by continuing to work with First Nations as full and active partners in B.C.'s economic success.

Complex land use decisions and considerations. As the Province's land manager, the ministry is faced with multiple - and sometimes competing - demands for the use of B.C.'s natural resources, which must be balanced to support diverse values and healthy ecosystems. This, in addition to evolving case law related to First Nations' lawful interest in the land, can lead to challenging decisions for land managers and licensed users of Crown land. In response, the ministry has continued to improve support to decision makers through integration of policy and operational resource management, by using innovative and up-to-date science-based information to support resource management decisions on public lands. The ministry has also been providing better information for decision makers through initiatives such as the [Cumulative Effects Framework](#), which measures changes to environmental, social, and economic values caused by the combined effect of past, present and potential future activities and natural processes.

Safe and healthy environment. Factors such as habitat fragmentation, invasive species, and climate change, including increasingly complex wildfires, floods, landslides and debris flows, droughts and outbreak of pests, continue to impact the timber harvest levels, and the overall provincial landscape. In response, the ministry has continued to work to keep B.C.'s natural environment healthy and resilient, and has taken a proactive approach to managing the Province's natural resources in a way that considers these impacts, and the long-term implications they may have to the sustainability of resource values and communities. For example, in 2016/17, through enhanced investments in our forests through the [Forests for Tomorrow](#) program and the work of the [Forest Enhancement Society of British Columbia](#), the ministry worked to reduce wildfire risk, restore wildlife habitat for the future, and address priority forest health issues, while maintaining long-term economic opportunities for British Columbians. Other key initiatives included: the [Strategic Wildfire Prevention Initiative](#), including [Firesmart](#), the remediation of [contaminated sites](#); the [BC Flood Response Plan](#); and the [British Columbia Drought Response Plan](#). The ministry also supported the [B.C. Climate Leadership Plan](#) through strategies to protect the Province's forests from the impacts of climate change and opportunities for improved carbon sequestration and emissions reduction through the [Forest Carbon Strategy](#).

Report on Performance

The Premier's July, 2015 Mandate Letter provided the Minister of Forests, Lands and Natural Resource Operations with direction on strategic priorities. In December, 2016, direction on strategic priorities was also provided to the Minister of State for Rural Economic Development. The ministry's resulting actions to March 31, 2017 are summarized in Appendix C. Highlights include the release of "[Strong Past, Bright Future: A Competitiveness Agenda for British Columbia's Forest Sector](#)," which identifies sector competitiveness challenges and demonstrates how Government is working to enhance competitiveness; strengthened support to rural communities in British Columbia through the appointment of a Minister of State for Rural

Economic Development in October, 2016, and the release of “[Rural Economic Development Strategy: Building on our Rural Advantages](#)” in March, 2017; the establishment of the legal framework for ecosystem-based management of the Great Bear Rainforest through the *Great Bear Rainforest (Forest Management) Act*, which received Royal Assent on May 19, 2016 and was brought into force on January 1, 2017; continued proactive efforts to adapt to and mitigate the effects of climate change in alignment with the B.C. Climate Leadership Plan through strategies in the ministry’s Climate Change Strategy and Forest Carbon Strategy; and the introduction of electronic-based hunting licences and online Limited Entry Hunting applications, making it easier for hunters to submit and track their applications.

The ministry operated in accordance with the Government’s Taxpayer Accountability Principles by seeking value for taxpayer dollars, striving to listen and respond to the needs of its stakeholders, and operating in a transparent and accountable manner.

Goals, Objectives, Strategies and Performance Results

The ministry aligned its activities under three goals to achieve its vision of environmental sustainability and economic prosperity:

1. Efficient, citizen-centred public service delivery;
2. Coordinated, sustainable management of B.C.’s natural resources; and
3. Productive, thriving natural resource sector and resilient communities.

The following 10 performance measures gauge progress toward the ministry’s goals and associated objectives as established for the [2016/17-2018/19 Service Plan](#).

Goal 1: Efficient, citizen-centred public service delivery.

This goal supports the Taxpayer Accountability principles of Cost Consciousness (Efficiency) and Service by delivering cost-efficient, effective, value-for-money public services and programs. It supports the ministry’s vision of environmental sustainability and economic prosperity by ensuring that coordinated land management and stewardship activities lead to benefits for all British Columbians.

Objective 1.1: Streamlined authorizations processes.

Strategies

- Provide clear and transparent processes to obtain timely and durable decisions on resource use authorizations on Crown land, including for projects requiring multiple approvals.
- Support the Natural Resource Permitting Project to increase the efficiency of authorizations activities and services across Government’s natural resource agencies.
- Increase the accessibility of authorization services to citizens and proponents by expanding options for electronic authorizations, licensing, payment and permitting, and client directed authorizations, consistent with Government’s initiative to Reduce Red Tape for British Columbians.

Performance Measure 1: Natural resource authorizations streamlining.

Performance Measure	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 ¹ Actual	2017/18 Target	2018/19 Target
Per cent of new <i>Land Act</i> and <i>Water Act</i> tenure applications processed within 140 days	69%	76%	80%	76%	80%	80%

Data Source: Authorization Tracking System

¹ Results from 2016/17 onward reflect the 12 month rolling average proportion of applications closed within 140 days out of the total applications received during those 12 months plus all applications remaining active since April 2014.

Discussion

This performance measure assesses one aspect of the ministry’s commitment to streamline the regulatory framework for managing the Province’s forests, lands and natural resources. The ability for the ministry to provide consistent, reliable and timely decisions on resource applications supports a strong economy, stable communities, and the creation of jobs for British Columbians. This measure tracks the time it takes for the ministry to reach a decision on a land or water application using data from the FrontCounter BC Authorizations Tracking System. The targets consider a number of factors such as historic land and water application processing time, and implementation of improved process efficiencies.

In 2016/17, the ministry continued to focus on identifying and implementing process improvements and tools to further streamline and simplify the application processes for clients and staff. Although the ministry did not reach its target in 2016/17, authorizations for water licenses processed using the new processes and tools consistently met the target, indicating that the new system implementations are realizing efficiencies and improving performance for new applications. Some historical applications account for the longer overall processing times. To further progress towards its overall target in the future, the ministry will continue its efforts towards making its internal processes more efficient and effective, including system upgrades and ongoing process streamlining, and will continue to focus on processing legacy applications. Additionally, the ministry is supporting delivery of the Natural Resource Permitting Project to modernize systems, integrate tools and provide access to shared data, all of which will contribute to streamlined authorizations and processes across the natural resource sector, including for *Land Act* and *Water Act* tenure applications.

Objective 1.2: Integrated and coordinated client services.

Strategies

- Implement common standards among natural resource agencies, federal agencies and municipalities to align regulations and coordinate natural resource use decisions.
- Implement opportunities to streamline the approval process for multi-agency major projects, such as liquefied natural gas processing and pipelines.
- Respond to the interests of citizens, businesses and First Nations to improve authorization services and enhance relationships.

Performance Measure 2: Client satisfaction with natural resource authorization services.

Performance Measure	2007/08 Baseline	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Client satisfaction success score	71 ²	73.8	70.9	82	74.6	82	82

Data Source: FrontCounter BC Authorization Tracking System and BC Stats Client Satisfaction Survey.

¹ Targets are set using 18 month trending, and considering operational context (e.g., creation of the new Ministry of Forests, Lands and Natural Resource Operations, budget impacts on staffing levels, global economic factors, etc.).

² Scores are calculated and reported as a mean score out of 100.

Discussion

This measures client satisfaction with natural resource authorization services by combining two aspects: business’ and individuals’ ability to obtain information and assistance with preparing resource use applications; and client satisfaction with the overall authorization process across natural resource sector ministries. Client satisfaction scores provide a comprehensive measurement of service excellence and important data which is used to make client experience improvements. The long-term target of 82 is set as a ‘best-in-class’ benchmark, as compared to other Canadian jurisdictions offering similar services.

Client satisfaction scores have fallen below the ministry’s stretch target of 82 since they were introduced, due in part to large increases in volumes of applications and services that have been shifted to the online service channel, which has substantively increased the number and scope of clients canvassed through ministry services. In 2016/17, FrontCounter BC successfully supported 48 program areas, receiving 64,992 calls and processing over 16,300 authorizations.

Although the ministry did not achieve its target for 2016/17, it realized an improvement of 3.7 points over 2015/16. This is attributed to stabilization of the scope of clients, with the client satisfaction survey representing all the existing and new services offered through FrontCounter BC. This improvement is also a result of considerable effort by FrontCounter BC and ministry staff to increase focus on client service, service improvements and investments in Client Service Certification training for both staff and managers. The improvement in 2016/17 was significant and with continued focus on client service, it is anticipated that the increasing trend continues.

Goal 2: Coordinated, sustainable management of B.C.’s natural resources.

The ministry is dedicated to transparent management of stewardship responsibilities in the best interest of citizens of the Province. Consistent with the Taxpayer Accountability Principles, the ministry engages in equitable, respectful and effective communications to ensure all parties and First Nations are informed and, where appropriate, consulted on actions and decisions in a timely manner.

Objective 2.1: Sustainable natural resource management through effective policy, legislation and external relationships.

Strategies

- Work in partnership with other natural resource ministries to renew natural resource policy that recognizes requirements for resilient ecosystems and species.

- Engage with First Nations and local governments in achieving provincial stewardship objectives and landscape level approaches to management.
- Increase ecosystem health by working collaboratively with multi-sector partner groups and First Nations to restore degraded ecosystems through activities such as invasive plant management, ecosystem restoration, remediation and best management practices.
- Support better decision-making and contribute to the Province’s diversity of hunting and fishing opportunities by maintaining a current, comprehensive inventory of the Province’s priority fish and wildlife populations.
- Improve timber quality and supply through reforestation, forest inventory, fuel management and intensive and innovative silviculture, including implementing a new Forest Enhancement Program which is being delivered by the Forest Enhancement Society of B.C. in support of most of these objectives.
- Use credible, evidence-based information provided by the ministry’s research program, and through strategic partnerships, to make informed resource management decisions that support environmental sustainability and the integrated land management vision.
- Improve the ability to make durable decisions on the land base that consider landscape-level conditions, climate change, and cumulative effects on key environmental, social and economic values, including historic and archaeologically significant places.

Performance Measure 3: Resource decision data quality index.

Performance Measure	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target ²	2016/17 Actual	2017/18 Target	2018/19 Target
Quality of resource monitoring data used for resource management decisions ¹	7.3	8.0	8.6	8.7	8.7	8.8	8.9

Data Source: Ministry of Forests, Lands and Natural Resource Operations, Provincial and Regional Operations.

¹ Index is an average of four dataset quality indices to a maximum score of 10: inventory; wildlife; Forest & Range Evaluation Program (FREP); and Reporting Silviculture Updates and Land status Tracking System (RESULTS).

Discussion

This performance measure highlights the ministry’s commitment to continually improve the quality and integrity of data used to inform resource management decision making. The combination of the four key data sets (inventory; wildlife; Forest and Range Evaluation Program; and the Reporting Silviculture Updates & Land Status Tracking System) into a single index tells the ministry how well it is improving the overall quality of data.

The achievement of this year’s target continues to reflect the ministry’s commitment to focus a portion of mid-term timber supply and land-based investment funding on improving the forest inventory, as well as elk and moose inventories to ensure that the best information is available to make sound resource management decisions that benefit British Columbians.

Performance Measure 4: Cumulative Effects Framework implementation.

Performance Measure	2014/15 Actual ²	2015/16 Target ³	2015/16 Actual	2016/17 Target ⁴	2016/17 Actual	2017/18 Target ⁵
Number of Provincial Core Value assessments ¹	n/a	6	5	10	5	n/a

Data Source: Resource Management Objectives Branch, CEF, and NRPP project management tracking systems.

¹ Examples of core values (i.e. values with relevance provincially) and a description of provincial core value assessment are in the [Overview Report](#). Core values are relevant across most or all regions of the province and their condition and trend will be periodically assessed and reported. They include the current condition of values and are to be considered in sub-regional Cumulative Effects Assessments (CEA).

² This performance measure was new to the Ministry Service Plan in 2015/16.

³ Targets for the number of core values are annual and cumulative for the first Phase of Implementation 2014-2016. After 2016, selection of any additional core values and subsequent core value assessments are to be determined as implementation informs progress.

⁴ Results are cumulative.

⁵ This performance measure concluded in 2016/17 and is not tracked in the 2017/18-2019/20 Service Plan.

Discussion

This performance measure was introduced to the ministry Service Plan in 2015/16 to track progress towards one aspect of the cumulative effects framework (CEF) implementation – assessment of the current condition of selected core values over a two year time period.

In 2015/16, the ministry substantively completed draft value assessments for five provincial values: Aquatic ecosystems, Forest Biodiversity, Old Forest, Moose and Grizzly Bear. In 2016/17, further technical review and consultation was undertaken to support these core value assessments, and as a result work on new provincial core values was not initiated.

Although the ministry did not achieve its target over the time horizon of this performance measure, the Province continues its strong focus on advancing the CEF overall, and has made significant progress on multiple initiatives that collectively contribute to the continued improvement of cumulative effects management in British Columbia. The initiation of regionally-specific cumulative effects assessments, approval of CEF Interim Policy, improved data acquisition and management and visualization systems available through both [GeoBC](#) and [Natural Resource Online Services](#), and continuing to build strong partnerships with other levels of government and First Nations are some of the ways the ministry has worked to expand the knowledge of cumulative effects values throughout the Province, and support strong, durable decisions on the land base.

Regionally-specific cumulative effects assessments are now either underway or near completion in every Natural Resource Region across the province, contributing to government’s information base for implementing the CEF. These assessments include but are not limited to: Elk, Mule Deer, Northern Goshawk, Pine Marten, Visual Quality and Riparian Habitat values.

The CEF and other related initiatives that improve the evaluation of existing and ongoing monitoring information for decision makers (e.g. Multi-resource Value Assessments) remain a priority for the ministry. These and other initiatives will continue to drive the CEF as part of B.C.’s overall integrated approach to managing natural resources and support durable decision making on B.C.’s Crown land.

Performance Measure 5: Recovery of open forest and grassland ecosystems.

Performance Measure	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target ¹	2016/17 Actual	2017/18 Target	2018/19 Target
Number of hectares of ecosystems in recovery mode	13,400	16,600	22,600	29,000	34,600	36,000	40,600	46,600

Data Sources: Land Based Investment Strategy - Categories: Range Remediation; Ecosystem Restoration; and Invasive Plant Management. Invasive Alien Plant Program database. District range reports. Ecosystem Restoration Steering Committee reports.

¹ Targets are cumulative over the three year period, with an expected annual increase of 6,000 hectares recovered per year based on current funding levels, and include an aggregate total of Range Remediation (e.g. fencing, water developments, and improved grazing management), Ecosystem Restoration (forest thinning and prescribed burning), and Invasive Plant Management (mechanical, chemical and biocontrol agents) annual targets.

Discussion

B.C. has unique and valuable open forest and grassland ecosystems which contain significant biodiversity values, and sustain a beef cattle industry that is a mainstay of the interior economy. These grasslands can be degraded by the spread of invasive plants, intensive recreational activities, improper grazing practices, and forest ingrowth and encroachment. In addition, a changing climate will compound the ecological changes that will occur.

This measure assesses one aspect of the ministry’s efforts to maintain and improve ecosystem health and resilience through the recovery of open forest and grassland ecosystems, through prescribed burning and other measures. By using data from inspections and monitoring, the ministry can confirm that degraded ecosystems are effectively remediated and recovering. Restored ecosystems help to: improve resiliency to climate change while reducing wildfire risks to communities; improve habitat for grassland dependent species (including many Species at Risk); increase natural forage for wildlife and livestock; increase availability of First Nations’ traditional use plants and habitats; protect critical community drinking water sources; and improve overall forest health, supporting short- and mid-term timber supply and fibre availability.

In 2016/17, the ministry restored ecosystem health to 7,000 hectares of open forest and grassland ecosystems. This was achieved through our efforts in Range Remediation, Ecosystem Restoration and Invasive Plant Management.

Performance Measure 6: Timber volume gain from silviculture investments.

Performance Measure	2010/11 Baseline	2012/13 Actual	2013/14 Actual	2014/15 Actual	2015/16 Actual	2016/17 Target ²	2016/17 Actual	2017/18 Target	2018/19 Target
Timber volume gain (millions of cubic metres) expected in 65 years from silviculture treatments completed ¹	7.3	7.4	8.5	8.5	7.8	7.6	7.6	9.2	8.8

Data Source: Volume gains (millions of cubic metres of wood) estimated using data submitted by licensees and the ministry to RESULTS (Reporting Silviculture Updates and Land status Tracking System) and SPAR (Seed Planning and Registry System).

¹ Gain as compared to basic reforestation using natural unimproved seed sources; "Timber Volume gain" includes incremental growth associated with silviculture treatment (planting using select seed, rehabilitation, juvenile spacing, and fertilization) and is based on the estimated total accumulated volume gains in 65 years.

² Targets are based in part on Land Based Investment Strategy (LBIS) funding, and are also influenced by licensee activity. Targets are forecast based on activity from the previous 2 years, for example, seedlings sown in fall 2015 for planting in spring and summer 2017 influence targets in 2017/18.

Discussion

In British Columbia, there is a legal obligation to reforest harvested areas. This performance measure reflects investments made which are above and beyond legal requirements, therefore resulting in incremental gains. The measure accounts for Forests for Tomorrow investments on areas without licensee obligations and volume gains from investments in improved seed stock (“select seed”) across all areas reforested on Crown land.

In 2016/17, the ministry achieved its volume gain target. About four million cubic metres of the volume projected in this measure is additional volume not currently included in the future allowable annual cut but will be potentially available for future harvest.

This measure complements attainment of the [provincial sustainable harvest](#) level targets: 57 million cubic metres per year during the mid-term, and 65 million cubic metres per year for the long term. While targets vary somewhat from year to year, the increases in the performance measure targets since the 2010/11 baseline reflect the ministry’s commitment to addressing the substantial long lasting economic, social and environmental impacts resulting from the devastating mountain pine beetle infestations and recent large-scale wildfires.

Objective 2.2: Safe and environmentally responsible natural resource management practices.

Strategies

- Ensure B.C.’s natural resources and values are resilient to the impacts of climate change by embedding appropriate strategies into resource management policy and practices.
- Work cooperatively with First Nations to sustainably manage land and natural resources, and to better understand and align First Nation interests with those of the Province.
- Effectively monitor and manage threats, such as droughts, floods, and landslides, to protect public health, promote safety and sustain healthy ecosystems.
- Ensure the safety of communities and wildfire crews by enhancing ministry investments in wildfire prevention and mitigation strategies.
- Remediate Crown contaminated sites to ensure clean land and water for the protection of human health and the environment.
- Enhance public safety and protection of property, cultural values and the environment by ensuring dam and dike safety in British Columbia.
- Promote safe and responsible off road vehicle use of public lands by supporting the implementation of the Trails Strategy for British Columbia and the Off Road Vehicle Management Framework.
- In cooperation with industry, improve environmental and resource worker safety management through ministry business and policy development.
- Advance professional reliance and the use of qualified persons by fostering an environment that supports innovative practices balanced with clear accountabilities.

Performance Measure 7: Dam safety inspection compliance.

Performance Measure	2002/03 Baseline ²	2014/15 Actual	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Percentage of owners of High, Very High and Extreme Consequence Classification dams that complete the required inspections and return the <i>Dam Status Report Form</i> ¹	62%	94%	95%	95%	91%	97%	97%

Data Source: Water Management Branch, Ministry of Forests, Lands and Natural Resource Operations

¹ Based on the number of dam owners who return the Dam Status Report form and indicate on the form that the required formal inspections were complete compared to the total number of High, Very High and Extreme Failure Consequence Classification dams in British Columbia at the time. There are currently 354 such dams, however the number of dams in these classes may change slightly from year to year due to reclassification of dams, addition of new dams or decommissioning of dams.

² Percentage of owners of High and Very High Consequence Classification dams who returned the Regulation Compliance Forms for 2002/03. The 'Extreme' classification did not exist at that time.

Discussion

The [Dam Safety Regulation](#) under the *Water Sustainability Act* requires dam owners to annually conduct a formal inspection of their dam. Owners of dams with high, very high and extreme consequence classifications are also required to annually report on the status of their dams and dam safety programs including the status of their formal inspections. The results of this annual status report are used by dam safety officers to assess whether dams are being inspected, operated and maintained by the owners as required under regulation.

In addition to the annual status reporting completed by dam owners, dam safety officers also conduct compliance audits, including site visits, at least once every five years for dams with failure consequence classifications of high, very high and extreme, and every 10 years for dams with a failure consequence classification of significant. A summary of compliance and audit results is available in the [Dam Safety Program Annual Report](#).

The number of dam owners reporting that they have completed their annual formal inspections of their dams for 2016/17 is four percent lower than the number reported for 2015/16. Preliminary review of the feedback from some owners showed possible misunderstanding of this requirement of the Regulation. Dam safety officers will continue to work with dam owners to enhance understanding of the regulatory requirements through dam owner training sessions, by providing further explanation of the requirements in annual compliance report mail-outs, during compliance audit meetings, and during annual formal inspections of dams. Enforcement action may be taken when necessary to promote compliance.

Performance Measure 8: Monitoring statutory requirements within the resource management sector.

Performance Measure	2013/14 Baseline	2014/15 Actual ¹	2015/16 Actual	2016/17 Target	2016/17 Actual	2017/18 Target	2018/19 Target
Compliance & Enforcement (C&E) Presence ¹	70%	69%	72%	78%	78%	79%	80%

Data Source: Ministry of Forests, Lands and Natural Resource Operations Natural Resource Information System

¹ Compliance & Enforcement Presence is defined as the amount of C&E field staff capacity that is presented to the regulated community, expressed as a percentage of actual time against available operational capacity. This performance measure was redefined in 2014. The former title was "Meeting management and use standards" and measured the "Per cent of the regulated community's compliance with statutory requirements".

Discussion

This measure demonstrates the ministry is upholding the Province's laws to protect natural resources through its compliance and enforcement framework. Presence is the amount of time that compliance and enforcement staff spend physically working with the regulated community. When ministry compliance and enforcement officers are visible to the regulated community and public, this in itself acts as a proactive measure, while providing the opportunity for improved stakeholder and community relations, industry education, and promotion of compliance. Changes to the amount of time compliance and enforcement staff spend with the regulated community and public are directly correlated with changes in compliance rates, giving the ministry the ability to adapt accordingly.

Compliance and Enforcement presence achieved its target in 2016/17, increasing by four percent over last year. This was due to continued efforts to improve business and system processes, leading to less overall administration time for the ministry's compliance and enforcement officers. The ministry continues to implement new tools and streamlined processes to increase field time for compliance and enforcement officers, while also making that time more effective and efficient. The provincial Report all Poachers and Polluters line and the Natural Resource Violations Reporting decision making tool together will continue to provide new and streamlined ways to increase time in the field for compliance and enforcement officers.

Goal 3: Productive, thriving natural resource sector and resilient communities.

This goal demonstrates the ministry's commitment to making natural resource use decisions that support economic prosperity and jobs for British Columbians in a way that is transparent and respects the shared public trust of B.C.'s land and resources.

Objective 3.1: Natural resource decisions and dispositions support community needs and provincial priorities.

Strategies

- Engage with communities, industry and First Nations to manage the economic impacts to upcoming fibre supply as a result of the mountain pine beetle epidemic.
- Manage high value Crown land disposition proposals, providing certainty for industry to capture economic opportunities such as liquefied natural gas, while enhancing Government priorities and producing broad public benefit.

- Develop and coordinate a consistent and effective First Nations consultation function for the natural resource sector to respect First Nations interests in the land base.
- Continue to build partnerships with local governments, other agencies and First Nations to identify sustainable resource development opportunities and support priority treaty and reconciliation initiatives.
- Improve forest fibre utilization to support further manufacturing and the bio-economy.
- Work to fulfill the rural development mandate commitments and strengthen local economies through the B.C. Rural Economic Development Strategy: Building on our Rural Advantages, the BC Rural Dividend Program, in [Supporting Rural Development – Creating a Voice for Rural British Columbia](#), and initiatives developed with advice from the Rural Advisory Council.
- Strengthen public trust in natural resource management practices by promoting values-based decision making principles and engaging with stakeholders and communities.
- Strengthen the contribution of B.C.'s historic places, including provincial heritage sites, to community identity, economic health, First Nations cultural values and environmental stewardship.

Objective 3.2: Economic benefits of natural resource development are optimized.

Strategies

- Through policy and regulation, set the operating context to optimize revenue generated by the natural resource sector while supporting sustainable use.
- Optimize the economic benefits of Crown land through timely decision making, including lands with [archaeological sites](#).
- Include First Nations as a full and active partner in the forest sector through the First Nations Forest Sector Strategy.
- Ensure that [BC Timber Sales](#) (BCTS) supports a globally competitive operating environment and forestry jobs in B.C. through sustainable forest development and auction of Crown timber.
- Ensure market access is maximized and B.C. lumber exports are diversified through activities such as co-sponsoring annual B.C. trade missions with the forest industry.
- Foster an efficient and innovative market-based operating climate and support the diversification of natural resource product markets and Crown land utilization.
- Working with industry, develop a Forest Sector Competitiveness Strategy to support a strong, sustainable forest sector.
- Facilitate the growth of B.C.'s bio-economy through key partnerships that advance competitiveness and support new innovative forest product facilities in B.C.

Performance Measure 9: BC Timber Sales timber volume sold.

Performance Measure	2015/16 Actual	2016/17 Target ¹	2016/17 Actual	2017/18 Target	2018/19 Target
Annual timber volume sold by BC Timber Sales	13.5 Mm ³	12.5 Mm ³	12.7Mm ³	11.7Mm ³	11.3 Mm ³

Data Source: BC Timber Sales Cengea Resources System

¹ A key objective of BC Timber Sales is to sell its rationalized apportionment over the five year business cycle (2014/15-2018/19). Volumes sold targets are set to achieve this objective.

Discussion

A key goal of [BC Timber Sales](#) is to provide credible representative price and cost benchmark data for the market pricing system through auctions of Crown timber. Through its activities, BCTS plays an integral role in supporting the goals of the Forest Sector Competitiveness Agenda.

This performance measure tracks the timber volume that BCTS sells through auction each year. Targets are set based on BCTS' annual apportionment, which is determined by the Minister in alignment with the Chief Forester's Allowable Annual Cut (AAC) for B.C. as a whole, and are re-evaluated annually considering a number of factors. Timber volume sold is a key performance output supporting BC Timber Sales' goal to provide credible representative price and cost benchmark data for the Market Pricing System through auctions of timber harvested from public land in British Columbia.

In 2016/17, BCTS exceeded its target timber volume sold. With this year's achievement BCTS has sold over 162 million cubic metres of timber since 2003. This achievement has supported the ministry's Market Pricing System, generated significant net revenues for the Province, and maintained over 8,000 direct and 11,000 indirect jobs contributing to rural economies, jobs and families in British Columbia.

Performance Measure 10: Government revenue derived from the use of Crown land and natural resources.

Performance Measure	2012/13 Actual ¹	2013/14 Actual ¹	2014/15 Actual ²	2015/16 Actual	2016/17 Target ³	2016/17 Actual ⁴	2017/18 Target ⁵	2018/19 Target ⁵
Forests	\$521M	\$665M	\$689M	\$804M	\$741M	\$859M	\$794M	\$816M
Crown Lands	\$70M	\$74M	\$126M	\$67M	\$121M	\$68M	\$174M	\$107M
Natural Resource Operations	\$444M	\$480M	\$440M	\$443M	\$471M	\$474M	\$511M	\$532M
Total Ministry Revenue	\$1,035M	\$1,219M	\$1,255M	\$1,314M	\$1,333M	\$1,401M	\$1,479M	\$1,455M

Data Source: (see footnotes below)

¹ Revenue forecasts and targets are rounded to the nearest million.

² Forests revenue for 2016/17 are as of April 30, 2017. Revenues are subject to change following subsequent fiscal year end adjustment period reviews

³ Forests revenue targets for 2017/18 and 2018/19 are retrieved from the 2017/18 Budget Estimates Forecast. Revenue forecasts are regularly revised to reflect changes in market conditions and timing of land sale completions.

⁴ Natural resource operations revenue targets will be revised in future years to reflect new water use fees that will be introduced under the *Water Sustainability Act*.

⁵ Natural Resource Operations updated targets for 2017/18 and 2018/19 are consolidated totals of both Natural Resource Operations and Other Revenues (as reflect in Performance Measure 9 of 2017/18 – 2019/20's Service Plan).

Discussion

This indicator depicts expected generated revenue into the provincial consolidated revenue fund, based on analysis of Crown forest and land activity under prevailing economic and market conditions. The ministry's influence on this measure is from policy, regulation and permitting processes that contribute to an operating environment conducive to revenue generation. A portion of the revenue is from ministry activities that directly support BCTS and Crown land sales.

The forests revenue includes stumpage (from timber tenures and BCTS) and other forest revenues such as timber export fees, annual rents, range permits & fees and forest waste. Crown land revenue is generated from Crown land tenures, Crown land sales, Crown land royalties and application fees. Natural resource operations revenue is generated primarily from water licences and rentals, *Wildlife Act* fees and licences, and land registry fees.

Actual 2016/17 forest revenue exceeded its target by \$118M (up 16%). The revenue surplus was predominantly a result of higher than expected Crown stumpage revenue. In addition, there were also positive variances associated with other smaller forest related revenue accounts, including forest waste, range permits and fees and softwood lumber border tax revenue. Crown stumpage revenue was higher than the 2016/17 budget forecast due to overall Crown stumpage rates being 21% higher than forecasted. Conversely, the total Crown harvest volume fell below forecasted levels down to 59.3 million cubic meters (down 4%).

Crown land actual revenue was \$53 million less than the target of \$121 million. This was due to the following factors: completion dates for Release of Assets for Economic Generation (RAEG) net sales of \$24 million were moved to future years due to deletions and additions of projects to the program, and timing of completion of sales; regional land sales moved \$15 million of projects to outward years due to timing of completion of sales; and \$14 million in lease revenue postponed to future years due to reassessments of deferred revenue and completion of contractual obligations.

Natural Resource Operations revenue was \$3M greater than the target of \$471 million primarily due to permits and licences related to off-road recreational vehicles.

Ministry Financial Report

Discussion of Results

The ministry's operating budget for 2016/17 was \$670.991M. Through the course of the year, the ministry obtained access to additional authorizations totalling \$217.515M. The breakdown of contingencies and other authorizations are as follows:

Ministry Operations:

- \$4.979M for legal costs associated with the Softwood Lumber Agreement; and
- \$0.127M for the Minister of State for Rural Economic Development.

Fire Management:

- \$150.0M for the Forest Enhancement Society of B.C. to strategically target wildfire prevention at the landscape level; and
- \$65.973M for fire suppression activities based on an active fire season.

BC Timber Sales:

- (\$3.564M) reduction to the Special Account authorization in order to match actual spending.

The ministry's total expenditure of \$886.330M is a combination of base budget and other authorizations.

The ministry's capital budget for 2016/17 was \$72.653M. The ministry's total capital expenditure was \$80.796M based on access to additional authorizations of \$8.143M for the Natural Resource Permitting Project; the Caribou Fire Centre; Wildfire Facilities expansion; and Campsite expansion activities, offset by underspending in BC Timber Sales roads activity due to weather conditions.

In addition to its expenditures, the ministry collected \$1.464 billion in revenue on behalf of Government.

Financial Report Summary Table

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance
Operating Expenses (\$000)					
Integrated Resource Operations	59,237	0	59,237	58,910	(327)
Resource Stewardship	107,624	0	107,624	107,095	(529)
Tenures, Competitiveness and Innovation	13,958	0	13,958	7,685	(6,273)
Timber Operations, Pricing and First Nations	24,282	0	24,282	26,541	2,259
Regional Operations	151,748	0	151,748	152,560	812
Executive and Support Services	69,299	5,106	74,405	78,463	4,058
Sub-Total – Ministry Operations Vote	426,148	5,106	431,254	431,254	0
Fire Management	63,164	215,973	279,137	279,137	0
BC Timber Sales	181,659	(3,564)	178,095	178,095	0
Crown Land	20	0	20	20	0
Forest Stand Management Fund	0	0	0	0	0
Sub-Total – Other Appropriations	244,843	212,409	457,252	457,252	0
Sub-Total – All Appropriations	670,991	217,515	888,506	888,506	0
Adjustment of Prior Year Accrual ²	0	0	0	(2,176)	(2,176)
Total	670,991	217,515	888,506	886,330	(2,176)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Executive and Support Services	25,893	807	26,700	26,700	0
Fire Management	525	0	525	525	0
BC Timber Sales	46,235	0	46,235	33,840	(12,395)
Natural Resource Permitting Project	0	19,731	19,731	19,731	0
Total	72,653	20,538	93,191	80,796	(12,395)

Ministry of Forests, Lands and Natural Resource Operations

	Estimated	Other Authorizations ¹	Total Estimated	Actual	Variance
Other Financing Transactions (\$000)					
BC Timber Sales Disbursements					
Receipts	0	0	0	0	0
Disbursements	87,582	0	87,582	90,838	3,256
Net Cash Source (Requirements)	87,582	0	87,582	90,838	3,256
Crown Land Administration					
Receipts	0	0	0	0	0
Disbursements	6,382	0	6,382	3,331	(3,051)
Net Cash Source (Requirements)	6,382	0	6,382	3,331	(3,051)
Crown Land Special Account					
Receipts	(30)	0	(30)	0	30
Disbursements	0	0	0	0	0
Net Cash Source (Requirements)	(30)	0	(30)	0	30
Tourism Development					
Receipts	0	0	0	0	0
Disbursements	600	0	600	376	(224)
Net Cash Source (Requirements)	600	0	600	376	(224)
Habitat Conservation Trust					
Receipts	(6,380)	0	(6,380)	(6,586)	(206)
Disbursements	6,380	0	6,380	6,586	206
Net Cash Source (Requirements)	0	0	0	0	0
Total Receipts	(6,410)	0	(6,410)	(6,586)	(176)
Total Disbursements	100,944	0	100,944	101,131	187
Total Net Cash Source (Requirements)	94,534	0	94,534	94,545	11

¹ "Other Authorizations" include Supplementary Estimates, Statutory Appropriations and Contingencies. The source of the Other Appropriations is referenced above. Amounts in this column are not related to the "estimated amount" under sections 5(1) and 6(1) of the *Balanced Budget and Ministerial Accountability Act* for ministerial accountability for operating expenses under the Act.

² The Adjustment of Prior Year Accrual of \$2.176 million is a reversal of accruals in the previous year.

Major Capital Projects

Major Capital Projects	Targeted Completion Date (Year)	Approved Anticipated Total Cost of Project (\$ millions)	Project Cost to March 31, 2017 *
Natural Resource Permitting Project (NRPP)	2018	77.9	57.2

* Project costs include \$4.778M that was transferred to the Ministry of Technology, Innovation and Citizens' Services

Natural Resource Permitting Project (NRPP)

Through the NRPP, the Province's natural resource ministries and agencies are aligning legislation, processes, people and technology, to allow for the integrated management of B.C.'s shared natural resources. The NRPP is a multi-year initiative aimed at reducing red tape, putting citizens and business first, improving services, streamlining processes, integrating government decision making and improving access to information.

NRPP is following the best practice of breaking down large IT projects into smaller, self-contained scope components that deliver value. Planning for future scope components is underway. Consistent with the Province's gated approach, any investment in new scope components will require review and approval by the appropriate governance bodies.

The Province committed to the foundational phase of NRPP in fiscal 2014/15 at a cost of \$57.2 million. An additional \$20.7 million of funding was subsequently approved for new scope components increasing the total funding committed to the project to \$77.9 million.

Forest Practices Board Financial Report

The Forest Practices Board spent 99.97% of its allocated budget in 2016/17. The Forest Practices Board independently monitors and reviews forest and range practices in B.C.'s public forests and rangelands. The Board audits both tenure holders and government ministries for compliance with forest and range practices legislation, carries out special investigations and issues reports as appropriate, investigates concerns and complaints from the public, and participates in appeals to the Forest Appeals Commission. It informs both the B.C. public and the international marketplace of forest and range licensees' performance in carrying out sound practices and complying with legal requirements.

The Board's mandate is provided by the *Forest and Range Practices Act* and the *Wildfire Act*. While the Board operates independently from the Ministry of Forests, Lands and Natural Resource Operations, its budget vote is the responsibility of the Minister. The Board reports its accomplishments and priorities through an annual report found at: www.bcfpb.ca.

Forest Practices Board Resource Summary Table

	Estimated	Other Authorizations	Total Estimated	Actual	Variance
Operating Expenses (\$000)					
Total	3,814	0	3,814	3,813	(1)
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)					
Total	0,000	0,000	0,000	0,000	0,000

Appendix A - Contact Information and Hyperlinks

Headquarters

P.O. Box 9361 STN PROV GOVT,
Victoria, B.C., V8W 9M2
Phone: 250 387-1772
Fax: 250 387-3291
www.gov.bc.ca/for/contacts.html

BC Timber Sales – Headquarters

Website: www.for.gov.bc.ca/bcts/
Contacts: www.for.gov.bc.ca/bcts/contact/

Regional Operations Offices:

Surrey

Suite 200 - 10428 153rd Street, V3R 1E1
Phone: 604 586-4400

Nanaimo

Suite 142, 2080 Labieux Road, V9T 6J9
Phone: 250 751-7220

Smithers

3726 Alfred Avenue, V0J 2N0
Phone: 250 847-7260

Prince George

5th Floor, 1011 4th Avenue, V2L 3H9
Phone: 250 565-6779

Media

Government Communications and Public
Engagement
Phone: 250 356-5261

FrontCounter BC:

Call toll free: 1-877-855-3222
Call from outside North America at:
++1-604-586-4400
E-mail: FrontCounterBC@gov.bc.ca
To contact specific offices, please visit:
www.frontcounterbc.gov.bc.ca/

Williams Lake

200-640 Borland Street, V2G 4T1
Phone: 250 398-4327

Kamloops

441 Columbia Street, V2C 2T3
Phone: 250 828-4131

Cranbrook

1902 Theatre Road, V1C 7G1
Phone: 250 426-1766

Fort St. John

400 -10003 110 Avenue, V1J 6M7
Phone: 250 787-34

Hyperlinks to Additional Information

Ministry website: www.gov.bc.ca/for/

BC Timber Sales: www.for.gov.bc.ca/bcts/

Canada Starts Here: The BC Jobs Plan: www.bcjobsplan.ca/

Canada Starts Here: The BC Jobs Plan 5-Year Progress Update:
<http://engage.gov.bc.ca/bcjobsplan/economy/progress-reports/>

Climate Adaptation Strategy: http://www2.gov.bc.ca/assets/gov/environment/climate-change/adaptation/adaptation_strategy.pdf

EmergencyManagementBC: www.embc.gov.bc.ca/index.htm

FPInnovations: www.fpinnovations.ca/

GeoBC: geobc.gov.bc.ca/

Integrated Land and Resource Registry: <http://geobc.gov.bc.ca/rrr/ilrr/index.html>

Land Based Investment Strategy: <http://www2.gov.bc.ca/gov/content/environment/natural-resource-stewardship/land-based-investment/development-of-the-lbis>

Major Projects BC: <http://www2.gov.bc.ca/gov/content/industry/natural-resource-use/natural-resource-major-projects>

Our Natural Advantage: Forest Sector Strategy for British Columbia:
www.for.gov.bc.ca/mof/forestsectorstrategy/

Wildfire Information: www.bcwildfire.ca

Appendix B - List of Crowns, Agencies, Boards and Commissions

Crowns

[Creston Valley Wildlife Management Authority](#)

Major Agencies, Boards and Commissions

[BC Timber Export Advisory Committee](#)

[Forest Practices Board](#)

[Muskwa-Kechika Advisory Board](#)

Appendix C - Minister's Mandate and Actions Summary

In the Premier's Mandate Letter to the Minister, dated July 2015, the Minister of Forests, Lands and Natural Resource Operations received direction on strategic priorities. These priorities and the ministry's resulting actions to March 31, 2017 are summarized below:

Mandate Letter Direction	Ministry's Action
<p>Softwood Lumber Agreement</p> <p>Lead the Softwood Lumber Agreement discussions with the federal government and ensure that the federal government position is consistent with that of the province.</p>	<p>The ministry continued to work closely with the federal government in its efforts to negotiate a new agreement for trade in softwood lumber with the U.S., and lead the provincial response to the new lumber trade dispute launched by the U.S. lumber industry. A Ministers' Forest Trade Policy Committee met regularly to discuss strategy and guide decisions. The ministry also worked with B.C. forest industry representatives and the federal government to mount a strong defence of programs included in the Countervailing Duty proceedings. With B.C.'s role as Canada's largest softwood exporter to the U.S., the Province has ensured B.C.'s position is included in negotiations between Canada and the U.S.</p>
<p>BC Timber Sales Effectiveness</p> <p>Continue to implement the recommendations of the BC Timber Sales effectiveness review and report to Cabinet the status of timber sales in the province by December 31, 2015.</p>	<p>The ministry conducted a role and effectiveness review of BC Timber Sales in 2013, which included extensive stakeholder consultation.</p> <p>A final report on the status of the role and effectiveness review was completed January 30, 2016.</p> <p>BC Timber Sales now has a strengthened mandate that includes clear goals and objectives as well as tools, resources, and other supports to help the program deliver on this new mandate.</p>
<p>Timber Supply</p> <p>Continue to work with the Ministry of Community, Sport and Cultural Development to prepare for and minimize the impact of timber supply reductions caused by the mountain pine beetle.</p>	<p>The ministry has been actively engaged in numerous projects addressing timber salvage resulting from the mountain pine beetle infestation both internally and in collaboration with industry and other ministries as part of its Forest Sector Competitiveness Agenda.</p> <p>The ministry, in collaboration with other ministries, has identified potential mitigation programs and tools available to support impacted communities and workers, including outreach sessions to the most impacted communities. An initial community outreach session was held in Quesnel on Sept 20, 2016.</p> <p>Other tools include implementing policy changes to increase the use of residual fibre under the Forest Fibre Action Plan announced in September, 2015. In addition, through enhanced investments in our forests through the Forests for Tomorrow, tens of millions of trees were planted and economic</p>

	<p>opportunities to manage the harvest reduction were created. The Government provided \$150M in funding from 2016/17 to the Forest Enhancement Society of British Columbia to continue forest rehabilitation initiatives in the future.</p> <p>Delivery of the Rural Dividend is assisting rural communities, which depend on forestry, diversify their economies.</p>
<p>Trade Missions</p> <p>Co-sponsor with the forest industry annual BC trade missions to China, India, Japan and Korea to continue to diversify BC lumber exports.</p>	<p>A successful trade mission to Japan and China was undertaken in November – December, 2015. Led by Minister Thomson, and supported by Forestry Innovation Investment Ltd. and Canada Wood, the delegation included 30 senior forestry executives from across B.C. Two agreements were signed in China, furthering the ministry’s efforts to expand export markets for B.C.’s softwood lumber products. In Japan, the BC Wood showroom was officially opened in Tokyo.</p> <p>In November – December, 2016, Minister Thomson completed a successful trade mission to China and Japan, leading a delegation of more than 25 senior executives from B.C.’s forest companies and associations to promote the province’s wood products and wood design systems.</p> <p>China and Japan are the province’s second- and third- largest markets respectively for softwood lumber products and these annual missions are a cornerstone of the joint provincial-federal-industry market developments in Asia. The government continues to raise awareness worldwide about the province’s innovative building products and systems—as outlined in <i>Strong Past, Bright Future: A Competitiveness Agenda for B.C.’s Forest Sector</i>.</p>
<p>Great Bear Rainforest</p> <p>Finalize and implement the Great Bear Rainforest ecosystem-based management agreement.</p>	<p>The Great Bear Rainforest (GBR) covers 6.4 million hectares of B.C.’s coast from north Vancouver Island to the B.C. - Alaska border, and includes one-quarter of the world’s coastal temperate rainforest. In February 2016, the provincial government, environmental groups, forest companies and First Nations celebrated the achievement of ecosystem-based management (EBM) in the Great Bear Rainforest with the signing of the GBR land use order. EBM is an adaptive, systematic approach to managing human activities that seeks to ensure the co-existence of healthy, fully functioning ecosystems and human communities.</p> <p>The <i>Great Bear Rainforest (Forest Management) Act</i> was introduced in March 2016 and brought into force by regulation on January 1, 2017.</p> <p>In November, 2016, the GBR was formally recognized by the Queen's Commonwealth Canopy, an initiative launched in</p>

	<p>2015 to create a network of forest conservation programs in commonwealth countries. In addition, the Province created a \$1 million trust to help raise awareness about the GBR, develop education curriculum and support ongoing research.</p>
<p>Fibre Security for Secondary and Non-Timber Users</p> <p>Examine ways to enhance the security of fibre supply for secondary and non-lumber users of lower quality and residual fibre and bring forward options that can be introduced in the Spring 2016 Legislative Session.</p>	<p>In 2014, the Forestry and Fibre Working Group was formed, comprised of primary and secondary manufacturers and ministry staff. The working group was formed to collaboratively develop a series of recommendations and an implementation plan designed to improve access to residual fibre from harvesting. The resulting package formed the basis of the Forest Fibre Action Plan announced in September 2015 as part of Government's focus on forest sector competitiveness. The Forest Fibre Action Plan presents 13 actions designed to improve secure access to harvest residuals for secondary fibre users. Key actions include increasing the utilization of lower-quality wood and wood residue, facilitating integrated harvesting, enhancing business to business relationships between primary harvesters and secondary users, and enhancing the security of fibre supply for secondary and non-lumber users of low quality and residual fibre.</p> <p>In spring 2016, amendments were made to the Forest Act to increase fibre supply for forest product manufacturers.</p> <p>In addition, legislative amendments and a review of policies and procedures were introduced in 2016 to improve residual fibre through increased certainty of fibre supply for primary and secondary harvesters in their operational planning, to help provide security to users of residual fibre, such as pellet producers, in the province's Interior, and to better measure waste.</p> <p>The ministry also contributed \$150,000 to fund the establishment of the BC Pulp and Paper Bio-Products Alliance and its research and development agenda for 2016/17.</p>
<p>Forest Sector Competitiveness</p> <p>Work with the forest industry on a new Forest Sector Competitiveness Strategy to maintain and enhance the industry, protect jobs and forest dependent communities and extract maximum value from our forest resources.</p>	<p>On August 31, 2016, the ministry released, "Strong Past, Bright Future: A Competitiveness Agenda for British Columbia's Forest Sector," which identifies sector competitiveness challenges and demonstrates how Government is working to enhance competitiveness through three inter-related goals: maintain healthy, resilient forests; support a diverse, globally competitive industry, and find opportunities for communities and First Nations partners.</p> <p>The Competitiveness Agenda identifies 49 strategic actions. Several key milestones and accomplishments were achieved</p>

	<p>in 2016/17. These include investments in the Forest Enhancement Society (FESBC), Forest Carbon Initiative (FCI) implementation, LiDAR (remote sensor technology for data collection) for the Cranbrook Timber Supply Area, road infrastructure, invasive plants and range activities, and training programs and innovative technologies that will support sustainable forest management, create jobs and foster new opportunities for First Nations. In addition, under the direction of the Forest Sector Competitiveness Steering Committee, a business efficiency project was completed which realized approximately \$16 million in efficiency gains to the Coast Forest Industry in 2016. Future estimated annual savings for the Coast is \$42 million, which includes a one-time saving of \$5.5 million in 2017.</p> <p>Actions in support of the pulp and paper, value added and residual, and forest fibre sectors were also initiated as a result of the Forest Sector Competitiveness Agenda. These include the Value Added Action Plan and Pulp and Paper Action Plan (released August 31, 2016), and the Clean-Tech Innovation Strategy for B.C. Forest Sector (released March 2017).</p>
<p>Chinese Canadian Heritage</p> <p>Work with the Ministry of International Trade and Ministry Responsible for Asia Pacific Strategy and Multiculturalism to recognize significant Chinese Canadian Historic Places under the <i>Heritage Conservation Act</i>.</p>	<p>On January 29, 2016, 21 historic places representing the significant contribution of Chinese-Canadians to the economic, social and cultural development of British Columbia were acknowledged under authority of s. 18 of the <i>Heritage Conservation Act</i>. The 21 sites paint a rich picture of the contributions Chinese Canadians have made to the development and prosperity of our province since the mid-19th century.</p> <p>Heritage BC administered the nomination process and an evaluation team, made up of a working group from the Chinese Historical Wrongs Legacy Initiatives Advisory Council and the Chinese Canadian Historical Society of British Columbia, recommended the sites.</p> <p>The acknowledgement of a place's heritage value demonstrates that it is considered significant to British Columbians and allows decision-makers to be better informed.</p>
<p>Authorizations Streamlining</p> <p>Undertake a review of registry services and permits issued by the Ministry and identify which permits can be administered online to reduce the time between application and issuance of the permit.</p>	<p>Through the Natural Resource Transformation Secretariat, the ministry continued its ongoing review of registry services and permits, and several new on-line, self-registration and self-serve permitting opportunities were identified.</p> <p>In 2015/16, two sections of the <i>Water Act</i> application were shifted to an electronic process. Streamlining of the processes for both water licences and amendments has led to faster</p>

	<p>application processing time for clients. On April 1, 2015, the responsibility for park, wildlife and fish permits was transferred to FrontCounter BC, and moved to an electronic process.</p> <p>On April 1, 2016, the ministry introduced a new Fish and Wildlife ID, as well as the ability to apply online for Limited Entry Hunting (LEH), reducing red tape while making it easier for hunters to submit and track their LEH applications. Online LEH improves the ability to make integrated stewardship decisions for wildlife resources in BC.</p> <p>On March 31, 2017, the ministry introduced electronic-based hunting licences. This new service provides greater efficiency in the purchase and sale of hunting licences through the BC Hunting online service and will enhance enforcement and compliance activities through the use of a new mobile application for conservation officers.</p> <p>Also in 2016/17 the Fish and Wildlife Branch implemented directives for Export Permits, Assistant Angling Guides and Fur Traders Licences which enable staff to issue the permits without a decision as long as certain criteria are met.</p> <p>The ministry continues to work with the NRTS through the Natural Resource Permitting Project to streamline authorization processes and shift to online applications.</p>
<p>Rural Dividend</p> <p>Work with Parliamentary Secretary Donna Barnett and her Rural Advisory Council to provide advice to government on ways to improve rural economic development, access to capital and the rural dividend.</p>	<p>The Rural Advisory Council was established in April 2015. Thirteen members from across rural B.C. with a strong understanding of rural issues play an active role on the Council, providing advice to Government on supporting thriving rural communities.</p> <p>As a result of the Rural Advisory Council’s recommendations, a three year, \$75 million Rural Dividend program was announced in September, 2015, and launched in April 2016. This program helps rural communities with a population of 25,000 or less to reinvigorate and diversify their local economies.</p> <p>On October 21, 2016, a Minister of State for Rural Economic Development was sworn in.</p> <p>In the first year of the Rural Dividend, the Program completed two application intakes, awarding a total of \$24,182,167 to 311 projects.</p> <p>In March 2017, the Rural Economic Development Strategy:</p>

	<p>Building on Our Rural Advantages was released. The Strategy focuses on government’s efforts in three key areas:</p> <ul style="list-style-type: none"> •building capacity so rural communities can attract new investment and residents •strengthening opportunities in rural communities •improving community resilience by expanding economic diversity. <p>(http://www.gov.bc.ca/ruraldividend).</p>
<p>Cumulative Effects</p> <p>Review the recent Auditor General report on Cumulative Effects assessment and make recommendations to Cabinet on ways to improve application of the framework while undertaking integrated management decisions.</p>	<p>The ministry continues its strong focus on advancing the cumulative effects framework (CEF) overall, and has made significant progress on this and other initiatives that collectively contribute to the continued improvement of cumulative effects management in British Columbia.</p> <p>In February 2017, the ministry released the Cumulative Effects Interim policy. The interim policy” is a set of policies, procedures and decision-support tools to help identify, assess and manage cumulative effects consistently and transparently across British Columbia's natural resource sector. The ministry has substantively completed protocols and initial assessments for five provincial core values: grizzly bear, old growth, aquatic ecosystems, moose and forest biodiversity. In addition the ministry initiated regionally-specific cumulative effects assessments, improved data acquisition and management and visualization systems available through both GeoBC and Natural Resource Online Services. The ministry is continuing to build strong partnerships with other levels of government and First Nations.</p>
<p>Climate Change</p> <p>Working with the Ministry of Environment, undertake an analysis of the impact of lower snowpacks and retreating glaciers on the forests of British Columbia and make recommendations to cabinet on strategies to protect our forests from any impacts of climate change.</p>	<p>The ministry, in collaboration with the Ministry of Environment, undertook an analysis in 2015/16 to examine the impact of receding glaciers and decreasing snow packs on B.C. forests, and has developed strategies and action plans to help address the impacts of climate change.</p> <p>Work towards implementing many of these strategies is now underway to address the impacts of climate change, in alignment with the Province’s Climate Leadership Plan, and FLNRO’s Climate Change Strategy. This includes-the implementation of the <i>Water Sustainability Act</i>, and investments in the Strategic Wildfire Prevention Initiative and Forest Enhancement Society of B.C. The ministry will continue to explore options in order to fully implement the strategies and recommendations, particularly as they relate to climate change adaptation.</p>

Minister of State’s Mandate and Actions Summary

In the Premier’s Mandate Letter to the Minister of State, dated December 2016, the Minister of State for Rural Economic Development received direction on strategic priorities. These priorities and the ministry’s resulting actions to March 31, 2017 are summarized below:

Mandate Letter Direction	Ministry’s Action
<p>Continue to work with the Rural Advisory Committee to provide advice to government on ways to improve rural economic development by developing a new rural economic development strategy by March 31, 2017.</p>	<p>A new strategy, B.C.’s Rural Economic Development Strategy: Building on our Rural Advantages, was released on March 3, 2017. The strategy outlines government’s commitment to rural communities to strengthen their resilience, and create jobs and economic opportunities while enriching the lifestyle advantages that rural communities have to offer.</p> <p>The strategy focuses on government’s efforts in three key areas: building capacity so rural communities can attract new investment and residents; strengthening opportunities for rural communities; and diversify rural economies to improve community resilience.</p>
<p>Oversee implementation of the Rural Dividend Program to improve rural economic development and access to capital.</p>	<p>The BC Rural Dividend was launched in 2016/17 to assist rural communities with a population of 25,000 or less reinvigorate and diversify their local economies. The Minister of State for Rural Economic Development, along with the Ministers of Forests, Lands, and Natural Resource Operations, Jobs, Tourism, and Skills Training and Community, Sport and Cultural Development, oversaw the successful implementation of the first year of the Rural Dividend Program. In the first year of the program, 311 projects were successful with over \$24 million awarded.</p>
<p>Finalize funding announcements for the second intake of the Rural Dividend Program and distribute the first year funding (\$25M) by end of fiscal year.</p>	<p>The Rural Dividend Program in the first year had two intakes; the first intake ran from April 1 to May 31, 2016; the second intake ran from October 3 to 31, 2016. There were several program improvements for second intake to better support rural applicants and more efficient program delivery. The three most significant improvements were: tiered requirements for financial statements, with less demanding financials required for applicants submitting for smaller funding requests; changes to how community population is determined, making it easier for many communities to qualify; broadened definition of eligible not-for-profits, allowing larger not-for-profits working closely with rural communities to apply.</p> <p>In the second intake, a much higher number of applications were submitted compared to first intake. In total, 289 applications were received and 186 applications were approved, totaling over \$15 million in funding.</p>

	<p>In the first year of the program, 311 projects were successful with over \$24 million awarded.</p>
<p>Support the Ministry of Education with the Rural Education Review, which will assess the economic, social and cultural impact rural schools and their closures have on small communities.</p>	<p>In September 2016, Minister of State Donna Barnett was invited to participate and contribute to the Rural Education Review being undertaken by Minister of State for Rural Education Linda Larson and the Ministry of Education.</p> <p>Minister Barnett engaged with the Rural Advisory Council and rural stakeholders regarding the importance of schools in rural communities to understand the issues and perspectives of rural communities across the Province on this topic.</p> <p>In fulfillment of the request from Ministry of Education to provide input, Minister Barnett prepared a formal submission on Rural Education and the issue of school closures. The report was submitted in December 2016.</p>
<p>Continue to work with CSCD and JTST to prepare for and minimize the impact of timber supply reductions caused by the mountain pine beetle. This includes identifying communities that could be impacted by timber supply reductions and developing, with the relevant MLAs, a work plan and schedule, to engage those communities through community outreach sessions.</p>	<p>The Minister of State for Rural Economic Development, working closely with area MLAs, and with advice from ministry staff, identified communities that may be impacted by reductions in timber supply caused by Mountain Pine Beetle, and developed a framework to guide outreach efforts. This included preparation, hosting, and follow-up activities to support outreach efforts.</p> <p>In September 2016, a highly successful community outreach of about 100 people was held in Quesnel to discuss opportunities that could be pursued to create jobs and diversify the local economy. This was the first in a series of meetings that the province is looking at to support communities that face a declining timber supply.</p> <p>Government will continue to work with local communities to conduct additional sessions to promote new opportunities and explore existing government programs and services available to assist communities and workers.</p>