

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

**REVISED 2011/12 – 2013/14
SERVICE PLAN**

May 2011



For more information on the British Columbia
Ministry of Forests, Lands and Natural Resource Operations
see Ministry Contact Information on Page 34 or contact:

Ministry of Forests, Lands and Natural Resource Operations:

PO BOX 9352
STN PROV GOVT
VICTORIA, BC
V8W 9M1

or visit our website at

www.gov.bc.ca/for/

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Message from the Minister and Accountability Statement



Our identity as British Columbians is tied to our forests, our mountains, our rivers, our coastline, our farmland, and our abundance of natural resources. This is an exciting time of change for British Columbia – we have a new Premier and a new agenda with three key government priorities: families, jobs and open government.

As the Minister of the newly formed Forests, Lands and Natural Resource Operations, it is my honour and privilege to lead this ministry as we deliver the economic prosperity, environmental sustainability and community resiliency that families in B.C. rely on. Combining Natural Resource Operations with Forests and Lands integrates policy with operational resource management, enabling us to effectively and sustainably manage B.C.'s land base for a variety of uses. It is an exciting time as we continue to build a strong, vibrant, environmentally responsible natural resource sector in British Columbia. A strong resource sector means good-paying jobs that support families across the province.

The Ministry is the Province's 'one land manager'. Our regional structure positions us to make balanced and informed decisions on the land base that directly affect communities and enables us to keep families at the forefront. We have the experts who live and work in our communities making the decisions at the community level, where resources are located and where ecosystems are affected.

Better decision-making includes upholding our strong environmental standards. This integrated approach enhances our ability to understand the cumulative effects of multiple resource activities on our land base. Plus, by bringing all of the decision-making activities on the land – from permitting to First Nations consultation to wildlife management – together in one ministry, we have a 360 degree view of the land base and are making more informed decisions.



We are taking steps to make government more open and accessible to the people it serves. This first year our focus as a ministry is to streamline our processes to be more efficient and predictable. We're reviewing and rationalizing our permits and licenses to make the application

steps easier to understand. We're opening more FrontCounter offices around the province. We're working towards 'one project, one process' to create a single framework for project reviews.

The Ministry will continue to pursue several key initiatives, such as:

- Improve forest utilization. We will increase the use of fibre, previously considered waste, by promoting further manufacturing and solidifying bioenergy as a major forest product.
- Become a world leader in growing trees. We will pursue new policies and strategies to guide and attract investments in B.C.'s forest-based carbon offsets and incremental silviculture activities.
- Work with the federal government to streamline and harmonize federal and provincial environmental review processes for projects by moving towards a "one project, one process" approval system while maintaining high environmental standards.
- Improve access to B.C.'s Crown lands to support sustainable economic development.
- Enhance collaboration with First Nations through relationships and consultations focused on operational decisions.

As a new ministry we have an exciting and busy year ahead of us. I am looking forward to working with my staff and natural resource sector colleagues on these and other initiatives to improve service for clients, support jobs for families and communities and maintain environmental standards.

The Ministry of Forests, Lands and Natural Resource Operations' *Revised 2011/12 – 2013/14 Service Plan* was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which these plans were prepared. All material fiscal assumptions and policy decisions have been considered in preparing the plans and I am accountable for achieving the specific objectives in the plans.



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

April 28, 2011

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Purpose of the Ministry

The Ministry of Forests, Lands and Natural Resource Operations was created in March 2011 to deliver integrated land management services for British Columbians. It is the main agency responsible for establishing the policy and conditions for access to and use of the province's forest, land and natural resources. The merger of Natural Resource Operations with Forests and Land integrates policy with operational resource management, enabling us to effectively and sustainably manage B.C.'s land base for a variety of uses.

Working with all stakeholders, the Ministry develops policies, programs and legislation to promote industry competitiveness and encourage investment in, and development of, forest, land and natural resources. It also ensures that Ministry activities support sustainable development and protect the public's interest in these resources. By bringing provincial natural resource operations together into one ministry we can make more informed decisions that fully consider the environmental, social and economic factors of land use.

Through BC Timber Sales, the Ministry auctions Crown timber to support the timber pricing system. This includes preparing forest stewardship plans and logging plans; developing timber sale licences, constructing and maintaining logging roads and bridges; undertaking silviculture and forest protection treatments and ensuring the work is carried out in a safe manner.

Working together is not new. For decades, resource ministries have been collaborating across organizational boundaries to optimize economic and environmental benefits for British Columbia. However, rising demands on the resource base and increased global competition created an urgent need to streamline operations.

The Ministry holds the legislative authority for provincial permitting and licensing activities and uses FrontCounter BC to coordinate a single-window service model for applicants. The Ministry

also combines land and resource stewardship functions resulting in a 'one land manager' approach to natural resource decision-making.



One Land Manager for British Columbia

As the ministry responsible for making decisions around land use in the province, the Ministry of Forests, Lands and Natural Resource Operations considers all environmental, economic

and social factors of resource activity for a 360 degree view of the land base.

This 'one land manager' approach means more informed decisions for the natural resource sector. Over the next few months, the Ministry will work to align resource authorizations with resource management, by focusing on designing efficient and effective processes while upholding environmental standards.

This new structure will streamline government processes in the natural resource sector to better attract global investment and turn proposed projects and investments into actual worksites and jobs while upholding our strict environmental standards. It will also enable British Columbia to work with the federal government towards establishing a 'one project, one process' model.

One Project, One Process

The 'one project, one process' approach for major investments creates a single framework that is timely, diligent and science-based. Now, instead of going to nine different agencies to apply for over 1,200 different types of provincial authorizations, there is one ministry to coordinate and streamline these operations.

The 'one project, one process' approach was pioneered at the Clean Energy Office and successfully created a single framework for project reviews. In the future, clients will work with one provincial contact, and similar projects will be subject to the same review process. This approach will create predictability in the sector and help attract investment.

Provincial and Regionally Shared Service Delivery

The Ministry of Forests, Lands and Natural Resource Operations is part of an integrated system, with provincial oversight through the Natural Resource Sector Management Board and the Environment and Land Use Committee. By working as part of a coordinated system the Ministry ensures operational decisions on the land base match policy development.

A key aspect of resource management coordination is supporting shared service delivery. Natural resource sector ministries share service and business planning with clear lines of accountability and shared responsibility. By working as part of an integrated system ministry staff can shift resources to support changing economic development priorities and support the environmental sustainability of resource use activities.

Strategic Context

British Columbia's Crown land and its natural resources form a cornerstone of prosperity for British Columbians. The Province's total land base and freshwater area covers 94.8 million hectares – 94 per cent of B.C. land is Provincial Crown land; two per cent of which is fresh water. The Province balances needs of the public, investors and stakeholders to achieve government's forestry, land use and natural resource sector priorities through a high standard of resource stewardship, a competitive business and regulatory environment and superior service delivery within the natural resource sector.

The allocation and administration of Crown land plays a pivotal role in expanding and diversifying the economy, sustaining the environment, and promoting the health and well-being of residents and communities. Every community in the province has an interest in how the land is managed. Over 20 sectors of the economy depend upon continued use of Crown land, and economic growth for many local economies can only occur if access is secured. The activities reliant on Crown land are as varied as residential use, roads, communications sites, clean energy generation, oil and gas, forestry, mining, aquaculture and many others.

Rights to Crown land are provided through tenures and grants, while in other instances the management of land is guided by reserves, objectives or establishing designated areas. Through these different mechanisms, the Province seeks to meet a wide range of social, environmental and economic outcomes.



British Columbia's lands support a wide range of interests: economic activities, environmental sustainability, and community and social well-being. The natural resource sector is a vital element of the British Columbia economy: meeting the daily needs of residents and businesses; as an input to industrial and manufacturing processes; and in generating jobs, investment and government revenue. The Ministry is committed to working with communities, industry and environmental organizations to ensure that the continued growth in the natural resource sector and development and use of our natural resources are socially and environmentally responsible.

B.C.'s growing communities, economic growth, healthy food, clean energy and our beautiful environment need a plentiful amount of clean water. As a finite resource, water's limits must be recognized, meaning that the days of taking our "unlimited" supply of water for granted have passed. With changes in climate, population, and water use, government is reviewing the *Water Act* to address new pressures on water. Modernizing the *Water Act* is not about fixing something that is broken. Instead it is about recognizing that the context and foundation upon which the *Water Act* was built was very different 100 years ago. Our ways of doing business have, and will continue to change to reflect today's context and play a key role in the future sustainability of B.C.'s water resources.



Living Water Smart: B.C.'s Water Plan commits to change the way water is governed and managed in B.C. Through *Living Water Smart*, government committed that by 2012:

- *Water laws will improve the protection of ecological values, provide for more community involvement, and provide incentives to be water efficient;*
- *Legislation will recognize water flow requirements for ecosystems and species;*
- *New approaches to water management will address the impacts from a changing water cycle, increased drought risk and other impacts on water caused by climate change; and,*
- *Government will regulate groundwater use in priority areas and large groundwater withdrawals.*

For more information, please visit:
www.livingwatersmart.ca/water-act/

The Ministry is contributing to the modernization of the *Water Act* which is part of *Living Water Smart: B.C.'s Water Plan* – government's vision and commitment to ensuring that our water stays healthy and secure for future generations.

B.C. has 55 million hectares of forest of which less than 0.5 per cent is logged each year. On public land in B.C., the amount of timber that can be

harvested each year is set through an Allowable Annual Cut (AAC). Over the last 10 years, on areas regulated by AACs, the average annual harvest was 69 million cubic metres per year and the average AAC was 78 million cubic metres per year. Beginning in 2006, the downturn in market conditions resulted in decreasing actual harvest despite increases in AACs to address the mountain pine beetle epidemic with pest control measures and salvage programs. In management units with beetle-related AAC increases, mid-term timber supply challenges are projected for the future.

Forests are economically, culturally and spiritually significant to B.C.'s First Nations who have depended on them for thousands of years. Many Aboriginal communities are in forested areas and have active claims for ownership and jurisdiction of land and resources allocated for forestry. Through its New Relationship with First Nations, government remains committed to constructive consultation with Aboriginal peoples on socio-economic issues and opportunities, such as traditional forestry and revenue-sharing.

The 2010 Throne Speech committed government to move to "one project, one process" and away from the fragmented approach of the past where information was not shared seamlessly, authorizations were numerous and uncoordinated, approval processes were resource-intensive and took longer than they should.

In today's British Columbia, the number of significant natural resource projects – accompanied by billions of dollars in capital investment – has substantially increased. In the South region of the province alone there are at least 27 large projects worth an estimated \$10.4B in capital investment. The North is experiencing an even more demanding level of potential investment and accompanying activity.

The Ministry has an opportunity to do more to support these projects and investments. Single engagement on a project or activity rather than multiple interactions through various authorizations leads to a clear understanding about what is being proposed on the land base, eliminates overlapping information exchanges, and will require fewer resources. By instituting a one project, one process approach to administering natural resource authorizations greater certainty is achieved for all beneficiaries: clients, communities, First Nations, stakeholders and government.

British Columbia continues to experience growth in many natural resource sectors, sometimes overlapping and competing for the same land base and resources, including water. As levels of development increase, there are corresponding pressures placed upon the environmental and social values on the landscape. There is a need to recognize and balance the cumulative footprint of this development on social, economic and environmental outcomes that are of primary importance to British Columbians. The Ministry is currently building tools with respect to the integration of this information into government's decision-making. An expected result is clarity about environmental, economic and social values and increasing certainty in which to operate.

This Ministry, like the rest of government, is committed to a New Relationship with First Nations. Our integrated approach to permitting supports better land-based decision-making while enhancing our ability to meaningfully consult with First Nations. Regionally-based operational consultation specialists will work on day-to-day consultation related to authorizations and stewardship functions. However, the Ministry of Aboriginal Relations and Reconciliation

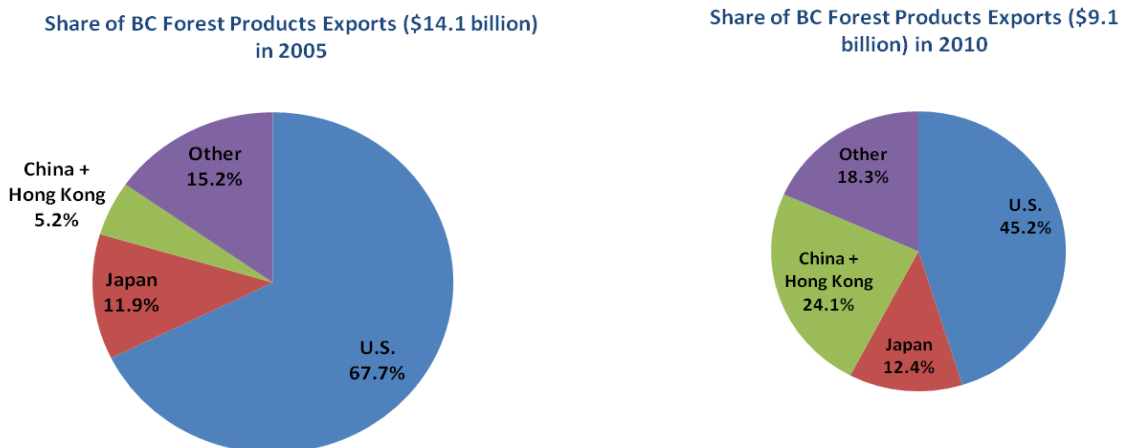
remains responsible for the overarching Crown-First Nations relationship, as well as consultation policy, and supports the natural resource sector ministries on strategic consultation issues such as proposed policy or legislation changes.

This Ministry is also working collaboratively with the ministries of Aboriginal Relations and Reconciliation; Agriculture; Energy and Mines; Environment; and Jobs, Tourism and Innovation to promote integrated and timely delivery of services to clients in all regions across British Columbia. Such collaboration is designed to support the competitiveness of natural resource enterprises and reinforce sustainable environmental management. Collaborative efforts offer the opportunity for alignment of government resources to advance economic development and community resiliency. Improving the efficiency of service delivery will also help address budget realities and demographic challenges facing the Province.

The Ministry is supporting implementation of the provincial Climate Change Adaptation Strategy, which calls on government agencies to consider climate change and its impacts, where relevant, in planning, projects, policies, legislation, regulations, and approvals, by assessing business risks and opportunities related to climate change. Adaptation is a vital part of government’s climate change plan. It means taking action now to prepare for a changing climate and its impacts on ecosystems, resources, businesses and communities.

B.C. Forest Sector Opportunities

In 2010, B.C.’s forest sector started to recover following one of the worst economic downturns in history. In 2009, B.C.’s forest sector accounted for 18.7 per cent of B.C. goods-producing industry GDP, 30 per cent of B.C. goods exports and 26 per cent of B.C. total manufacturing shipments. In 2010, B.C.’s total forest product exports increased 20 per cent; lumber production increased 29 per cent; total harvest volume increased 29 per cent; and forestry employment increased seven per cent compared with 2009 data. The U.S. remains the largest single market for B.C. forest products, but in the last three months of 2010, exports to China and Japan exceeded those to the U.S, reflecting a reduced dependence on the U.S. market.



B.C.’s bioenergy strategy is helping to realize the value of B.C.’s abundant biomass resources. Forest tenure and pricing policy developments in the Ministry, such as innovative timber sale licences, stand as-a-whole pricing and cruise-based billing, are supporting bioenergy

opportunities and are encouraging increased utilization of beetle-attacked timber for the generation of electric power, the manufacture of wood pellets, and other wood fibre derived products. B.C.'s Innovative Clean Energy Fund has committed \$60 million to over 41 projects across B.C. to advance bioenergy and other clean energy technologies, such as conversion of woody biomass into biofuel products like cellulosic ethanol, and biomass-fuelled heating systems that can provide heat and power to community facilities. B.C.'s wood pellet industry is growing - in 2010 B.C.'s 13 pellet mills produced 1.2 million tonnes of pellets and almost all of the production was shipped to Europe. Green energy policies in Europe have resulted in increased pellet demand, and further global demand could be driven by emerging green energy policies in Asian countries.

Asia Pacific markets present a huge opportunity to offset the reduced forest product demand in the U.S. and are an area of targeted focus for the ministry. Driven by an increasing demand for wood, China is now the second largest export market for B.C. The Province of B.C., the Government of Canada and the forest industry have been working together since 2003 to respond to China's increasing forest product needs. Increased marketing, promotion, and branding have generated market demand for B.C. wood products in China through initiatives such as: establishment of government-to-government relationships; adoption of a national wood building code; co-operation on wood demonstration projects; introduction of wood-construction skills training; emergence of a wholesale supply network; and, trade agreements allowing access to ports for forest products shipments year-round.

Forest Resource Challenges

The frequency and severity of forest damaging events in B.C. such as wildfires are increasing. As of November 2010, 331,514 hectares were burned in 1,680 fires during the 2010 fire season. Although the number of fires was lower in 2010 than the 3,091 fires in 2009, the total hectares burned were 44.7 per cent higher than 229,047 hectares burned in 2009. Insect outbreaks such as the mountain pine beetle have had a devastating impact on B.C.'s forests. The cumulative area of B.C. affected by the mountain pine beetle epidemic was estimated at 14.5 million hectares in 2008. By 2016, 65 per cent of the pine volume in B.C.'s interior is projected to be dead. The infestation will have largely subsided by that time and only an additional two per cent may be killed after 2020.

Goals, Objectives, Strategies and Performance Measures

The overall thrust of the Ministry of Forests, Lands and Natural Resource Operations is to make timelier and better informed decisions on the land base, recognizing that British Columbia's high environmental standards have not, and are not, changing. Essentially, the Ministry aims to ensure that decisions on the land base bring both economic prosperity and environmental sustainability. The Ministry is focused on:



- Integrating policy with operational land management, enabling us to effectively and sustainably manage B.C.'s land base for a variety of uses;
- Promoting economic development and excellent public service to communities across British Columbia;
- Ensuring environmental standards are upheld and environmental sustainability is achieved with resource use activities in British Columbia; and
- Increasing the efficiency of public service delivery to meet the budget and demographic challenges facing government.

With the combining of Natural Resource Operations with Forests and Lands in March 2011 and the consolidation of operations from across the natural resource sectors into one ministry in October 2010, the resulting breadth of business areas is reflected in the number of performance measures. As well, responsibility for mines policy was attributed to the Ministry of Energy and Mines in March, resulting in the transfer of two performance measures from the February 2011 plan to that ministry. There are eleven performance measures in total in this revised service plan.



Goal 1: Efficient, citizen-centred public service delivery: “One Window; One Process; One Team”

Objective 1.1: Coordination of people and resources for excellence in service delivery to the natural resource sector.

Strategies

- Develop and implement the ‘one land manager’ model; including a set of common standards and a coordinated and streamlined approach to multi-agency applications, authorizations, approvals and activities.
- Expand the efficiency of online service delivery and improve timelines and by developing and implementing electronic licensing, payment and permitting options, and client-directed authorizations.
- In collaboration with natural resource agencies, federal agencies and municipalities, improve business processes to better serve clients through ongoing identification and implementation of streamlining opportunities.
- Enhance public and consumer trust in natural resource management practices and operations.

Performance Measure 1: “One Project, One Process” implementation.

Performance Measure	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Per cent implementation of “One Project, One Process” for single authorizations and multiple authorizations on projects	10%	90%	100%	100%

Data Source: Strategic Project Development Office, Natural Resource Authorization Coordination, Ministry of Forests, Lands and Natural Resource Operations

Discussion

This performance measure was created to track government’s implementation of “One Project, One Process” across British Columbia, and has not previously been used in a ministry service plan.

A diversifying natural resource economy and new levels of activity from new industry and within existing sectors has increased the complexity of land and resource management dramatically in many parts of B.C. The challenge of managing this new and growing complexity reveals that the previous processes of numerous agencies require change to integrate activities, manage risk, and support confident decision making by government and industry. ‘One Project, One Process’ is about melding numerous single agency processes for issuing authorizations into one process to eliminate overlap and duplication.

Area based management under a single land and resource management team improves our ability to focus limited resources on government priorities and provides much needed opportunity for more efficient and effective land and resource management decision making.

Objective 1.2: Integrated natural resource client services.

Strategies

- Provide client-focused, one-window service that is responsive to the needs and interests of citizens and businesses seeking assistance with preparing applications for natural resource-use authorizations.
- Provide excellent provincial land and natural resource information services.
- Collaborate on the new Government 2.0 Technology and Transformation open data initiative.

Performance Measure 2: Client satisfaction with FrontCounterBC.

Performance Measure	2007/08 Baseline	2010/11 Forecast	2011/12 Target ¹	2012/13 Target	2013/14 Target
FrontCounterBC client satisfaction success score	71	77	80	82	85

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

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

Discussion

This measure provides an indication of FrontCounterBC's success in assisting businesses and individuals to obtain the information they are seeking and assisting those clients with the preparing applications for natural resource-use authorizations. This measure helps FrontCounterBC to be client focused in its service delivery model and responsive to the needs and interests of citizens and businesses, while also assisting partner agencies with delivering client-centric services to their clients.

FrontCounterBC's baseline customer satisfaction rating of 71 was



established in 2007; this was achieved after sufficient data had been collected by BCStats, an independent third party. Client satisfaction scores provide a comprehensive measurement of service excellence and provide important data that enables operational improvements to be made that have a direct impact on a client's experience with government.

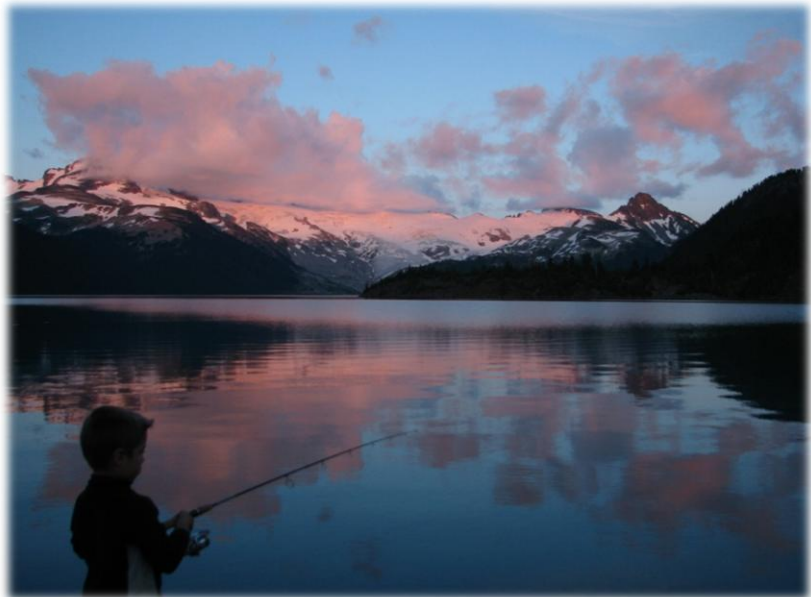
Goal 2: Coordinated, integrated and sustainable management, development and use of natural resources.

The Ministry of Forests, Lands and Natural Resource Operations is responsible for developing policies and programs to ensure that forest, land, and natural resources are managed in a sustainable manner so they can continue to provide environmental, social and economic benefits to all British Columbians now and into the future.

Objective 2.1: Compliance with environmental standards in the development and use of Crown land.

Strategies

- Ensure management practices are adaptive for a changing climate and enhance ecosystem resilience.
- Partner with sector agencies to develop standards and effective practices for B.C. natural resource sectors.
- Work in partnership with natural resource ministries to modernize and streamline natural resource policy, regulation and legislation to improve competitiveness and recognise requirements for resilient ecosystems and species.
- Enhance protection, management and stewardship of all natural resources, including ecosystems, water quality and quantity, fish and wildlife habitat, and species at risk.



- Expand angler and hunter opportunities after meeting wildlife conservation objectives and satisfying First Nations' ceremonial rights.

Performance Measure 3: Compliance with resource laws.

Performance Measure	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Per cent of the regulated community's compliance with statutory requirements ¹	90%	92%	93%	94%

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

¹Regulated community includes all persons (including licensees, contractors, public and government) subject to statutory obligations within the Compliance mandate.

Discussion

This is a measure of how well the regulated community is complying with their statutory obligations under various environmental-based Acts and their associated regulations. The regulated community includes all companies and persons subject to statutory obligations within these Acts and regulations.



This indicator is measured as the number of inspections (completed without any non-compliance) that lead to a determined or prosecuted enforcement action against the total number of inspections completed. The sites or activities chosen for inspection are selected based on an assessment of risk to environmental, public safety, social and economic values.

Over the next three years, the targets are set slightly higher than this year's baseline to promote continuous improvement toward higher standards. The targets take into consideration several factors currently affecting compliance:

- There will be a learning curve for both the regulated community and staff with respect to the expanded mandate of compliance within the new Ministry.
- Compliance levels may be impacted by the move towards an integrated compliance and enforcement model, whereby the Ministry's compliance officers will be working with staff

from other natural resource ministries and other business lines to conduct inspections of a broader range of activities, including water licensing, and commercial tourism operations among others.

- Compliance staff will be monitoring the increased recreational activities of the public on the land base, including fire-cause investigation, which may impact compliance levels further.

Amid the Ministry's strategies to improve compliance overall, there will be challenges to attaining a consistently high compliance level. The Ministry will develop a new measure that takes into account the changes in business focus and priorities and which will more closely align it with the new direction and activities of the program.

Performance Measure 4: Implementation of habitat authorities¹

Performance Measure	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Wildlife Habitat Areas	150	150	150	150
Ungulate Winter Ranges ²	10	10	10	10
Fisheries Sensitive Watersheds	5	5	10	15

Data Source: Habitat Management Section, Fish and Wildlife Branch, Ministry of Forests, Lands and Natural Resource Operations

¹ The Ministry's three habitat authorities denote legal designations for individual Wildlife Habitat Areas (WHAs), Ungulate Winter Ranges (UWRs) and Fisheries Sensitive Watersheds (FSWs).

² An ungulate is a hoofed mammal such as a caribou, moose, bison or goat.

Discussion

This performance measure tracks implementation of the number of habitat authority designations under the *Forest and Range Practices Act* and *Oil and Gas Activities Act* in meeting government's obligations under the bilateral accord for Species at Risk, and priorities identified from the Cabinet-endorsed Conservation Framework.

The Conservation Framework is B.C.'s approach for maintaining the rich biodiversity of the province, and provides a set of science-based tools and actions for conserving species and ecosystems in the province.

Designations under the *Forest and Range Practices Act* and *Oil and Gas Activities Act* provide special management for species and plant communities affected by natural



resource sector activities on Crown land. These designations help to conserve native species and protect their habitat. They also provide much needed certainty to the natural resource sectors. It is important to measure Ministry progress in establishing environmental standards for the protection and restoration of species and their habitats under the *Acts*.

Implementation is being guided by the recently developed Government Actions Regulation implementation strategy. The performance targets of 150 Wildlife Habitat Areas, 10 Ungulate Winter Ranges (excluding caribou) are cumulative. In 2011/12, an initial performance target of five Fisheries Sensitive Watersheds will increase annually to 10 and 15 Fisheries Sensitive Watersheds, respectively, in the following two years.

Objective 2.2: Public and consumer trust that forests are sustainably managed.

Strategies

- Advance professional reliance through clear accountabilities and an environment that supports innovative practices.
- BC Timber Sales demonstrates sustainable forest management practices.
- Ensure the appropriate standards are in place to increase ecosystem resilience and adapt forest practices for a changing climate.

Performance Measure 5: Per Cent of Allowable Annual Cut Certified.

Performance Measure ¹	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Per cent of the provincial allowable annual cut certified for sustainable forest management standards	67%	70%	72%	74%

Data Source: Metafore Forest Certification Resource Centre www.certifiedwood.org

¹Sustainable forest management standards include Canadian Standards Association (CSA), Forest Stewardship Council (FSC), and Sustainable Forestry Initiative (SFI).

Discussion

Third-party sustainable forest management certification is a voluntary process that began in the 1990s in response to concerns about logging practices. Certification programs differ, but all share the objective of ensuring good forest management by balancing economic, social, silvicultural and environmental goals. The three standards used in British Columbia: the Canadian Standards Association’s Sustainable Forest Management Standard (CSA), the Sustainable Forestry Initiative (SFI) and the Forest Stewardship Council (FSC), all depend on independent, third-party audits where auditors measure the planning, procedures, systems and performance of on-the-ground forest operations against the predetermined standard. Several

systems also measure the extent to which communities and other stakeholders are involved or considered in the management of forest.

Forest certification provides forest product buyers with assurance that a forest is well managed and many markets favour forest products from certified forest operations.

Projections

British Columbia has the highest level of forest certification of any jurisdiction in the world. Since 2006, the volume certified under sustainable forest management standards has increased significantly in British Columbia. In 2006, approximately 39 per cent of the allowable annual cut was certified. By mid 2010, operators with sustainable forest management certification accounted for 67 per cent of the allowable annual cut per year.

Purchasers of forest products are increasingly adopting procurement policies that require forest products to be obtained from legal and sustainable sources. The growing popularity of green building standards reinforces preferences for certified forest products.

Certification rates are highest among B.C. Timber Sales and tree farm licences, lowest among woodlots and community forests, and intermediate among replaceable and non-replaceable forest licences.

Objective 2.3: Maximize productivity of forest resources.

Healthy growing forests provide opportunities to support investment in the forest sector, and economic and social benefits from the use of wood fibre. The use of Crown land provides opportunities for investment and economic development.

Strategies

- Silviculture investment to increase timber quality and supply.
- Mitigate mid-term supply impacts caused by the mountain pine beetle.
- Ensure ministry policies facilitate bioenergy opportunities.
- Utilize land resources efficiently.

Performance Measure 6: Timber volume gain from silviculture investments.

Performance Measure	2010/11 Forecast ¹	2011/12 Target	2012/13 Target	2013/14 Target
Timber volume gain (millions of cubic metres) expected in 65 years from silviculture treatments completed in British Columbia	7.3	6.8	6.8	7.0

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.

² "Timber Volume gain" includes incremental growth associated with planting using select seed, rehabilitation, juvenile spacing, and fertilization and is based on the estimated total accumulated volume gains in 65 years. Some gains due to treatments such as fertilization can be realized in as little as 10 years.

³ Data are submitted, according to legislated requirements, before June 1 each year for the previous year ending March 31. The detailed information used to calculate the volume gain is found in the MFMLSs Annual Report detail statistical information, posted at: www.for.gov.bc.ca/hfp/silviculture/statistics/statistics.htm

Discussion

This performance measure indicates the estimated timber volume gains that will be realized in the future through investments made today. Timber volume gain is a high-level indicator of the benefit from investments in the land base, forest resource stewardship, and sustainable timber productivity. Gains in timber volume and quality as well as shorter harvest rotations are the



primary objectives of silviculture treatments (these treatments include planting using select seed, rehabilitation, juvenile spacing, and fertilization). Other benefits from silviculture treatments include increased short- and mid-term timber supply (e.g. fertilization), increased carbon storage, accelerated development of mature or old-growth characteristics for wildlife, conservation, and biodiversity, producing higher wood quality (e.g. by pruning), wildfire hazard reduction (e.g. spacing and pruning), creating more pleasing visual landscapes, and providing short- and long-term employment opportunities. These other benefits are measured in different ways and cannot be readily incorporated into a volume gain performance measure.

BC Timber Sales and major tenure holders have a legal obligation to reforest harvested areas. Where planting is undertaken, the law requires the use of superior select seed wherever available. Use of select seed is currently providing the largest future volume gains and will assist in ameliorating shortfalls in the mid-term timber supply. Mid-term timber supply can be further improved through activities such as strategically deployed juvenile spacing and fertilization.

Volume increases associated with this performance measure are a result of investing in various silviculture practices on the land base that enhance Crown forest productivity. In this year's plan, targets were revised due to a refinement in the volume calculation associated with land-base investments.

Objective 2.4: Safe and environmentally responsible natural resource management practices.

Strategies

- Effectively monitor and manage risks to the environment and public health and safety, such as flood hazard and interface wildfire.
- In cooperation with industry, enhance collaboration to improve environmental and safety regulation compliance through inspections and audits.
- Identify, investigate and remediate contaminated sites which are the responsibility of the Province to protect human health and the environment.
- Continue working with First Nations and local governments to improve the conservation and preservation of archaeological sites through agreements, archaeological studies, regulation, and education initiatives.
- Expand First Nations participation through new tenure opportunities (e.g. First Nations Woodland tenures).
- Develop new guidelines to support Crown land development.
- Ensure ecosystem-based management (EBM) is fully operational on the central and north coast.
- Harmonize environmental assessment and project review processes.



Performance Measure 7: Dam safety inspection compliance.

Performance Measure	2002/03 (Baseline)	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Percentage of owners of High and Very High Consequence Classification dams that complete the required inspections and return the Inspection Compliance Form each year. ¹	62% ²	88%	89%	90%	91%

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

¹ Based on Inspection Compliance Form returns from owners of the approximately 290 High and Very High Consequence Classification dams in British Columbia.

² Percentage of owners of High and Very High Consequence Classification dams that returned the Inspection Compliance Forms for 2002/03.

Discussion

Data for this performance measure has been collected since inception of British Columbia's Dam Safety Program Compliance Strategy in 2002/03, providing a well established baseline. This measure has not previously been used in a ministry service plan.

Under the authority of the Dam Safety Regulation, of the *Water Act*, all B.C. dam owners with High or Very High Downstream Consequence Classification dams are required to complete an annual compliance form to confirm the status of their dam inspection program. The results are used by the Water Management Branch to determine whether dams are being inspected and maintained as required.

The annual compliance form requests responses to the following:

- Has your formal Inspection for 2010 been completed?
- Have any dam safety concerns been identified?
- Has a plan been prepared to address the safety concerns?
- Did you undertake regular site surveillance?
- Status of your Dam Safety Review.



Every five years, each dam undergoes a site visit by a Ministry Dam Safety Officer conducting an audit to verify the information submitted by the dam owners. Compliance and audit results

will be publically released in the Dam Safety Program Annual Report available after May 31, 2011 at: www.env.gov.bc.ca/wsd/public_safety/dam_safety/

At the end of the first year of the Dam Safety Program Compliance Strategy in 2002/03, 62 per cent of forms were returned. Dam owner compliance, measured by the number of annual compliance forms returned, has since steadily improved as a result of greater effort to educate the dam owners and a focus on the non-compliant dam owners. The compliance rate peaked in 2008/09 at 90 per cent but fell to 87 per cent in 2009/10; hence the lower rate was used as the basis for projecting future targets. Compliance is expected to improve with increased ministry follow-up with dam owners.

Performance Measure 8: Wildfire suppression.

Performance Measure	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Percent of full response wildfire contained at less than four hectares (on a 5-year rolling average).	92.1%	92%	92%	92%

Data Source: Wildfire Management, Electronic Fire Fighting Reports, Ministry of Forests, Lands and Natural Resource Operations

Discussion

The Ministry's detection and rapid response to wildfire is critical to protecting the communities and the forests of British Columbia. This performance measure tracks the Ministry's success rate for initial attack on full response wildfires with the objective of fully suppressing wildfires before they reach four hectares or greater in size. If fire size is kept to less than four hectares, damage and costs for fire suppression are minimized.



Both Alberta and Ontario track success of initial wildfire attack. While the information cannot be compared directly due to differences in land ownership, policy, access, forest type and climate conditions, British Columbia, Alberta and Ontario all set targets for and report on initial wildfire attack success rates with results between 90 and 96 per cent.



In addition to suppressing wildfires to protect communities and the forests of British Columbia, the Ministry of Forests, Lands and Natural Resource Operations recognizes that natural fire cycles are an important component of healthy forest and range ecosystems. Every fire is assessed to determine appropriate management actions and some fires may be managed as a modified response fires. Management of modified response fires both reduces fire suppression costs and supports healthy ecosystems. As such, modified

response fires are not included as part of the performance measure for wildfire suppression.

Performance Measure 9: Crown contaminated site remediation.¹

Performance Measure	2010/11 Forecast	2011/12 Target ²	2012/13 Target	2013/14 Target
Number of program sites for which remediation is underway or completed.	77	82	87	92

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

¹ Program sites fall into one of five categories: **Remediated:** Crown sites where clean-up activities are completed. **Priority:** Crown sites that have been identified for current action based on site investigation and confirmed risk to human health and the environment. **Candidate:** Crown sites on which initial investigation has begun to determine the extent of risk. **Monitor:** Crown sites where preliminary investigation has been completed and monitoring is required, and possibly additional testing in different field conditions to determine the extent of risk. **Other:** Sites that are being managed by the Province to fulfill obligations established under legal agreements, regulatory orders or other commitments.

² Target numbers are cumulative and reflect total number of sites where remediation is underway or completed.

Discussion

The Ministry has the lead responsibility for fostering a province-wide approach to protect the public through the remediation of contaminated sites on Crown land that pose a risk to human health and the environment. The Crown Contaminated Sites Program was established in 2003 by the provincial government to provide a clear and coordinated plan to manage contaminated sites on Crown land. Since that time the program has investigated 77 Crown Contaminated Sites and continues to focus on the investigation and remediation of Crown Contaminated Sites across the province.



Before and after remediation work conducted by the Crown Contaminated Sites Program at the Yankee Girl Mine Tailings Project located adjacent from the town of Ymir, B.C., just South of Nelson.

This performance measure tracks progress in remediating program sites, as such, targets are cumulative and reflect total number of sites where remediation is underway or completed. Remediation, as defined by the *Environmental Management Act*, includes site investigations in addition to clean-up activities. Identification and remediation of Crown Contaminated Sites is undertaken using a risk-based approach that considers potential human health and environmental impacts as well as anticipated benefits associated with the future use of remediated lands. Those sites that are identified as posing the greatest risk rank as the highest priority and are remediated first.

The Crown Contaminated Site Program manages a wide spectrum of high risk sites ranging from small industrial sites such as landfills with relatively simple and quick clean up prescriptions to major complex sites such as the historic Britannia Mine north of Vancouver on Howe Sound.

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

Objective 3.1: Crown land decisions and dispositions support community needs and provincial priorities, and encourage private investment.

Strategies

- Manage and resolve high value land disposition proposals, often involving multiple government agencies and parties, to advance government priorities and provide broad public benefit.
- Encourage industry and private investment to improve natural resources by providing clarity and predictability in permitting.

- Foster an efficient and innovative market-based operating climate.
- Support the diversification of forest product markets and Crown land utilization.
- Remove barriers and create the conditions that encourage investment, access and development of forests, land and natural resources and developable Crown land.

Objective 3.2: Economic benefits of natural resource development maximized.

The March 2011 restructuring of the Ministry brought the heritage conservation functions to the Ministry of Forests, Lands and Natural Resource Operations.

Strategies

- Continue to build partnerships with local governments, other agencies and First Nations to identify sustainable resource development opportunities.
- Partner and work with all levels of government and the heritage sector to build capacity for community heritage conservation, foster the sustainability and rehabilitation of the historic built environment, and promote the exemplary recognition and conservation of historic places in B.C.
- In collaboration with industry and the Ministry of Jobs, Tourism and Innovation, focus the B.C. Resort Strategy on enabling success of existing all-season resorts.
- Support the implementation of initiatives that contribute to a globally competitive and sustainable sector.



Performance Measure 10: All-season resort development approvals.

Performance Measure	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Number of approvals supporting government and industry direction for the all season resort sector.	5	5	5	5

Data Source: Resort Development Branch, Provincial Operations, Authorization Services, Ministry of Forests, Lands and Natural Resource Operations

Discussion

This performance measure has not previously been used in a ministry service plan, although a modified version appeared in a previous Ministry of Tourism, Culture and the Arts Service Plan on the number of resort development approvals. This performance measure includes existing all-season resorts only, a subset of the original measure. This is due in part to the recent economic slowdown, with few to no new resort development applications coming forward.



The current global economic environment has generally resulted in the B.C. industry deferring new and expansion projects to future dates. Based on existing inventories, neither the Ministry nor the industry anticipates significant incremental growth in the near term. However, recent global tourism data has been positive, and the Ministry continues to complete its review of existing proposals, including stakeholder consultations, so that approvals are in place for those proponents seeking to develop new resorts or expansion of existing resorts.

This performance measure will indicate the extent to which collaboration with industry and the Ministry of Jobs, Tourism and Innovation will focus the B.C. Resort Strategy¹ on enabling success of existing all-season resorts.

Objective 3.3: Generate revenue from forest, land and natural resources.

The Ministry supports the sustainable use of forest, land and natural resources to generate direct revenue for government. Direct revenue is only one measure of the value to British Columbians of the utilization of these resources. Indirect revenues associated with income and corporate taxes, and associated economic development is also important.

Strategies

- Support the sustainable use of forest, land and natural resources to generate government revenue.

Performance Measure 11: Direct government revenue derived from the use of forest and land resources.

Performance Measure	2010/11 Forecast	2011/12 Target	2012/13 Target	2013/14 Target
Crown forest and lands gross revenue (\$ millions)	\$ 419 M	\$ 523 M	\$ 529 M	\$ 580 M

Data Source: Ministry of Forests, Lands and Natural Resource Operations. Forecast and Targets are based on the January, 2011 Blue Book Budget Estimates Forecast

Discussion

The total revenue collected by the Government of British Columbia during each fiscal year includes; revenue from stumpage (timber tenures and B.C. Timber Sales), other forest revenues (i.e. Softwood Lumber Border Tax, rents and fees, etc.) and other non-forestry revenues; such as land revenue (i.e. land registry and surveyor general fees). Other direct revenue to the Government of B.C. associated with the activities of the Ministry of Forests, Lands and Natural Resource Operations includes:

This indicator depicts what the Ministry can expect to generate as revenue to be included into the Provincial consolidated revenue fund, based on analysis of forest and land activity under prevailing economic and forecast sector market conditions.

Objective 3.4: Determine market value of forest resources.

The Ministry continually reviews and modifies forest revenue policies and procedures to ensure that fair value is received for the use of forest resources. New market-based pricing systems were introduced on the Coast in 2004 and in the Interior in 2006. In 2010 the interior timber pricing

¹ For more information, please visit: www.tti.gov.bc.ca/resort_development/strategy/strategy_and_action_plan.htm

system was improved in mountain pine beetle killed areas. A key element of these systems is the use of competitive timber sales to establish fair market value for trees that are sold by government.

Strategies

- Ensure that BC Timber Sales continues to provide credible data to establish non-competitive timber prices.
- Ensure timber prices are market-based and measuring and billing is timely and accurate.



Resource Summary

Ministry of Forests, Lands and Natural Resource Operations Resource Summary

Core Business Area	2010/11 Restated Estimates ¹	2011/12 Estimates	2012/13 Plan	2013/14 Plan
Operating Expenses (\$000)				
Competitiveness and Innovation	5,622	1,224	1,224	1,224
Forest Resource Stewardship	112,630	91,679	91,735	91,735
Forest Tenures and Timber Pricing	7,515	5,413	5,413	5,413
Provincial Operations	95,578	91,979	91,800	91,800
Regional Operations	123,380	117,748	117,748	117,748
Executive and Support Services	66,960	55,356	55,363	55,363
Sub Total	411,685	363,399	363,283	363,283
Direct Fire	63,240	62,901	62,901	62,901
BC Timber Sales Account	158,469	163,532	161,133	155,433
Crown Land	20	20	20	20
Total	633,414	589,852	587,337	581,637
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Executive and Support Services	43,355	21,465	17,493	17,078
BC Timber Sales Account	25,885	24,200	26,300	26,300
Total	69,240	45,665	43,793	43,378

Other Financing Transactions (\$000)				
BC Timber Sales Account – Disbursements	(56,972)	(53,751)	(53,376)	(53,376)
Crown Land Administration – Disbursements	(4,250)	(4,250)	(4,250)	(4,250)
Tourism Development - Disbursements	(600)	(600)	(600)	(600)
Crown Land Special Account - Receipts.....	70	70	70	70
Habitat Conservation Trust – Receipts	6,000	6,000	6,000	6,000
Habitat Conservation Trust – Disbursements	(6,000)	(6,000)	(6,000)	(6,000)
Total Net Cash Source (Requirements)...	(61,752)	(58,531)	(58,156)	(58,156)

Amounts have been restated, for comparative purposes only, to be consistent with Schedule A of the Revised 2010/11 Estimates.

Forest Practices Board Resource Summary

The Forest Practices Board is an independent watchdog for sound forest and range practices in British Columbia's public forests and rangelands. It informs both the British Columbia public and the international marketplace of forest and range licensees' performance in carrying out sound practices and complying with legal requirements. It also ensures that resource ministries are appropriately monitoring and enforcing forest and range practices legislation.

The Board audits 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. 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 independently reports its accomplishments and priorities through an annual report found at: www.fpb.gov.bc.ca.

Forest Practices Board	2010/11 Restated Estimates ¹	2011/12 Estimates	2012/13 Plan	2013/14 Plan
Operating Expenses (\$000)				
Total	3,839	3,815	3,815	3,815
Ministry Capital Expenditures (Consolidated Revenue Fund) (\$000)				
Total	-	-	-	-

¹ The 2010/11 restated *Estimates* reflect a change in funding model for corporately provided operations support such as accommodation, most information technology, freedom of information, corporate accounting services, payroll, and corporate sustainability. Funds previously held in Ministries for these activities were centralized into Shared Services BC, the existing service delivery body for these services.

Ministry Contact Information

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/

Media

Public Affairs Bureau
Phone: 250 356-5261

Regional Operations Offices:

Surrey

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

Nanaimo

2100 Labieux Road, V9T 6E9
Phone 250 751-7163

Smithers

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

Prince George

5th Floor, 1011 4th Avenue, V2L 3H9
Phone 250-565-6102

Williams Lake

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

Kamloops

441 Columbia St, V2C 2T3
Phone 250 828-4449

Cranbrook

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

Fort St. John

370-10003 110 Ave., V1J 6M7
Phone: 250-784-1200

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/



Hyperlinks to Additional Information

Ministry website:

www.gov.bc.ca/for/

Wildfire Information:

www.bcwildfire.ca

www.facebook.com/BCForestFireInfo

Climate Adaptation Strategy:

www.env.gov.bc.ca/cas/adaptation/index.html

Crowns, Agencies, Boards and Commissions associated with the Ministry:

Crowns

Creston Valley Wildlife Management Authority

Major Agencies, Boards and Commissions

Forest Practices Board www.fpb.gov.bc.ca

Timber Export Advisory Committee

Muskwa-Kechika Advisory Board

Mediation and Arbitration Board

Assayers Certification Board of Examiners

