
Natural Resources and Energy Development

**ANNUAL REPORT
2020-2021**



**Natural Resources and Energy Development
Annual Report 2020-2021**

Province of New Brunswick
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ISBN 978-1-4605-2937-9 (bilingual print edition)
ISBN 978-1-4605-2938-6 (PDF: English edition)
ISBN 978-1-4605-2939-3 (PDF: French edition)

ISSN 2561-1550 (bilingual print edition)
ISSN 2561-1569 (PDF: English edition)
ISSN 2561-1577 (PDF: French edition)

13527 | 2021.11 | Printed in New Brunswick

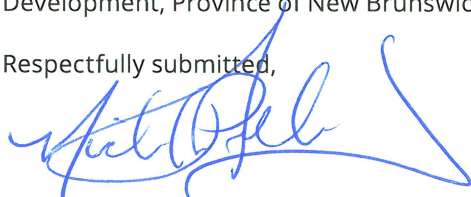
TRANSMITTAL LETTERS

**From the Minister to the Lieutenant-Governor
Her Honour The Honourable Brenda Murphy
Lieutenant-Governor of New Brunswick**

May it please your Honour:

It is my privilege to submit the annual report of the Department of Natural Resources and Energy Development, Province of New Brunswick, for the fiscal year April 1, 2020, to March 31, 2021.

Respectfully submitted,



Honourable Mike Holland
Minister

**From the Deputy Minister to the Minister
Honourable Mike Holland
Minister of Natural Resources and Energy Development**

Sir:

I am pleased to be able to present the annual report describing operations of the Department of Natural Resources and Energy Development for the fiscal year April 1, 2020, to March 31, 2021.

Respectfully submitted,



Tom MacFarlane
Deputy Minister

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Minister's message

New Brunswickers are fortunate to live in a province with such rich natural resources, and these resources are among our most valued assets and some of our greatest opportunities for economic growth.

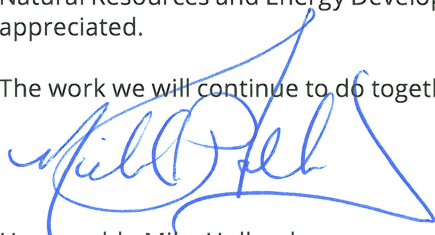
As an avid outdoorsman with connections to rural New Brunswick in particular, I am proud of the work the Department of Natural Resources and Energy Development does in the areas of forestry, wildlife, fish, energy, mining, mineral resources and Crown land management.

The past year has handed us challenges as a result of the COVID-19 pandemic, but we have not let it slow down the important work done by our department.

In particular, we had several accomplishments related to hunting and fishing that I am proud of. We established a season for hunting wild turkeys; we extended Sunday hunting dates; and we made amendments to increase the number of ballots for applicants in the moose draw who have not been drawn in the past 20 years.

None of these achievements would have been possible without the hard-working staff at the Department of Natural Resources and Energy Development. I thank them for their expertise and commitment, which is greatly appreciated.

The work we will continue to do together will maximize the value of our resources for New Brunswickers.



Honourable Mike Holland
Minister of Natural Resources and Energy Development

Deputy Minister's message

The Department of Natural Resources and Energy Development plays a vital role in contributing to the provincial economy through job creation and economic growth in the energy, forestry, fish and wildlife, and mining sectors. Our aim, in everything we do, is to ensure the safe and responsible development of our natural resources.

Transitioning New Brunswick to a low-carbon economy through the Climate Change Action Plan continues to be a priority, with a special focus on energy efficiency, renewable energy, and development of new low carbon technologies. In 2020-2021, our province provided New Brunswickers with approximately 51 per cent renewable energy, which came from biogas, biomass, hydro and wind resources.

The forestry sector is a major contributor to New Brunswick's economy, and ensuring the long-term sustainability and market competitiveness in this sector requires a careful balance of timber harvest and conservation. Using technology to improve our forest and land inventory is making important improvements to the management of this vast resource.

The COVID-19 pandemic resulted in several obstacles for us to overcome and caused a temporary shift in duties for some staff at the department. Staff were deployed to several departments to assist with the COVID response. I am proud of departmental staff for rising to the challenges they faced, and for their continued hard work and commitment each and every day.

Nothing we accomplish as a department would be possible without the dedication and expertise of the staff who work here, and I thank them all for their passion and professionalism.



Tom MacFarlane
Deputy Minister

Government Priorities

DELIVERING FOR NEW BRUNSWICKERS - ONE TEAM ONE GNB

One Team One GNB is a new, collaborative approach to how we operate. It represents a civil service that works together as a single unit for New Brunswickers. We have discovered new and innovative ways of doing business, ways that have allowed us to achieve the outcomes needed for New Brunswickers and we are working more efficiently and effectively than ever before. Our new path forward includes a mindset of focus, urgency and results.

We are working every day to improve the way government departments:

- Communicate with one another
- Work side-by-side on important projects, and
- Drive focus and accountability

STRATEGY AND OPERATIONS MANAGEMENT

The Government of New Brunswick (GNB) uses a Formal Management system built on leading business practices to develop, communicate and review strategy. This process provides the Public Service with a proven methodology to execute strategy, increase accountability and continuously drive improvement.

The development of the strategy, using the Formal Management system, starts with our government's roadmap for the future of New Brunswick that focuses on key priorities and the importance of public accountability.

GOVERNMENT PRIORITIES

Our vision for 2020-2021 is a vibrant and sustainable New Brunswick. To make progress towards this vision, we must focus on our government's priorities.

- Energize private sector
- Vibrant and sustainable communities
- Affordable, responsive and high-performing government
- Dependable public health care
- World-class education, and
- Environment

COVID RESPONSE

As part of GNB's priorities this past year, responding to the COVID-19 pandemic was at the forefront. Our department supported GNB in responding to the pandemic by deploying and/or seconding over 170 staff for various lengths of time to assist with COVID-19 related activities across the province. A large component of staff were deployed to assist the Department of Public Safety and the Department of Health at border checkpoints and vaccine clinics, respectively. Critical services were maintained throughout the COVID-19 pandemic. Standard operating procedures were changed to adhere to public health guidelines and offices across the province were prepared with enhanced safety measures to ensure a safe return to work.

Highlights

During the 2020-2021 fiscal year, the Department of Natural Resources and Energy Development focused on these government priorities through:

- Commissioning two locally owned wind projects with First Nations partners, Wocawson Project (20MW), and Wisokolamson Wind Energy Project (18MW).
- Working with NB Power to increase the amount of electricity consumed from renewable resources in the province to fifty-one per cent.
- Creating a new Wild Turkey Hunting Regulation to establish a hunting season for wild turkeys, including the establishment of wild turkey hunting licences, and an application and draw system for those licences.
- Establishing Phase 1 of licence bundling, which created a resident big game licence bundle that allowed for bundling deer, bear, and varmint licences at a reduced rate, provided free minors licences, and included ice fishing in resident fishing licences at no extra cost.
- Amending the Moose Hunting Regulation for the resident moose hunting draw to increase the number of ballots for resident applicants who were not drawn in 20 or more years, as well as the requirement to provide proof of proper training or previous hunting experience to be eligible to enter the draw.
- Battling the 2020 forest fire season, which was one of the driest in recent history. These conditions increased the number of fires and area burned – 462 fires burning 1,389 ha of forest land – compared to the ten-year average of 236 fires burning 320 ha forest land.
- Advancing work on the Nature Legacy initiative toward the goal of doubling New Brunswick's network of permanently protected land and freshwater. A new Nature Legacy website was launched, providing citizens with a way to review and comment on sites being considered for conservation, as well as a means of nominating a special site for consideration.
- Assessing a total of 1,967 harvest, silviculture, and road construction sites where a total of 8,263 key performance indicators were evaluated and tracked through a formal management system. These on-site assessments have led to the successful environmental certification of all Crown timber licences.
- Releasing a new seamless digital provincial geology map that is available to clients through the department's geological survey open data portal.

Performance Outcomes

REDUCTION IN WORKPLACE RECORDABLE INCIDENT RATE (RIR) FOR ACCIDENTS AND INJURIES

DESCRIPTION OF PRIORITY

Reduce the recordable incident rate (RIR) for workplace accidents and injuries by 10 per cent over two calendar years, by 2021 through targeted initiatives to improve safety culture within the department.

(RIR: number of employees per 100 full-time employees involved in a recordable injury or illness in a given year).

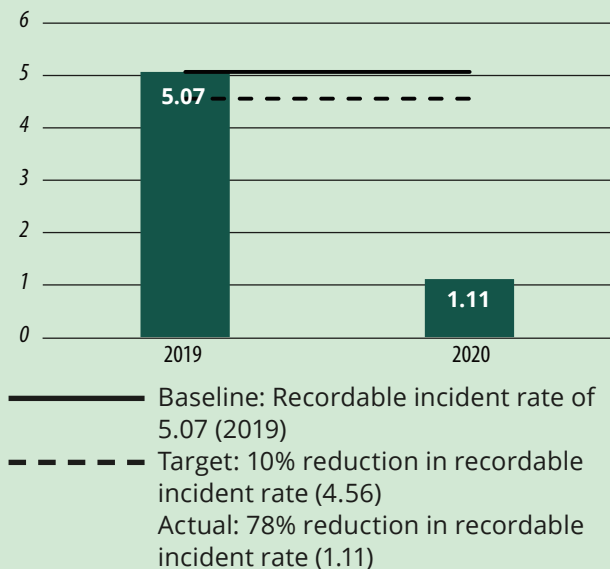
IMPORTANCE OF PRIORITY

The department is committed to a health and safety program that improves occupational health and safety, and prevents injury, accidents, and illness in the workplace. An active health and safety program protects all employees, property, and visitors in the workplace. The department is required through legislation to ensure the health and safety of its employees. We are responsible to take every step possible to ensure employees return home at the end of each day without injury as a result of their workday.

OVERALL PERFORMANCE

During the 2020 calendar year, the overall safety performance RIR was reduced from 5.07 to 1.11, which equates to a 78 per cent reduction.

Workplace Recordable Incident Rate



WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

The department undertook a number of initiatives to reduce the RIR, including the following:

- Increased and improved safety communications and accident investigations resulting in corrective actions being implemented to address concerns.
- Implemented additional monthly safety talks to a minimum of two safety talks per month.
- Issued new Wellness, Health and Safety communication boards to all locations throughout the department.
- Updated the Wellness, Health and Safety Intranet site for the department.
- Ensured a timely response to all safety concerns raised.
- Reviewed the departmental safe work procedures to ensure the information provided was up to date and relevant.
- Reviewed various field processes which resulted in additional safety measures being implemented.

FULLY UTILIZED CROWN ANNUAL ALLOWABLE CUT

DESCRIPTION OF PRIORITY

On an annual basis, the department aims to have all available Crown roundwood, as defined by the sustainable annual allowable cut (AAC), fully consumed by wood processing facilities.

IMPORTANCE OF PRIORITY

The volume of wood consumed each quarter provides insight on the wood flows through the year and it can be compared to consumption trends in previous years. Significant divergence from past trends may indicate required interventions (exports and temporary assignments) to help keep wood flowing to New Brunswick facilities.

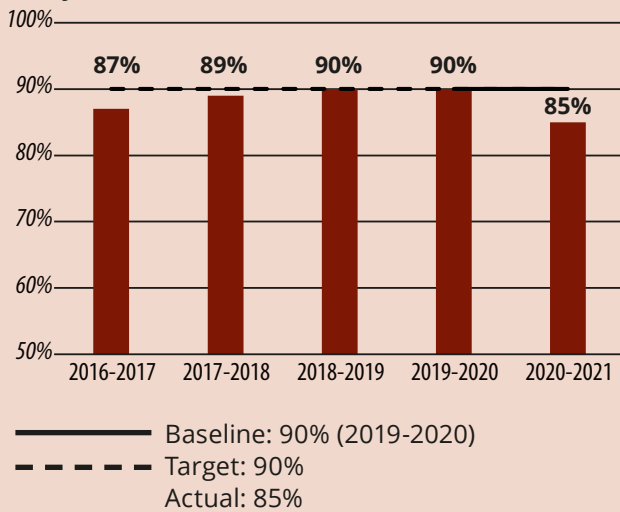
OVERALL PERFORMANCE

The annual volume harvested was 85 per cent of the AAC. A 7 per cent year-over-year reduction in Crown timber deliveries to wood processing facilities resulted in this measure missing the 90 per cent target. This reduction can be attributed to the COVID-19 pandemic and associated lost production time in 2020-2021.

WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

The department has maintained actions from previous years to develop a process to better monitor wood flow trends and to improve and facilitate wood flow from Crown land. Export approvals and temporary assignments help the department work towards achieving the target of 90 per cent. These two measures allowed for approximately 615,000 m³ or twelve per cent of total Crown wood to flow. Temporary assignments and exports totaled 460,000 m³ and 155,000 m³ respectively.

Fully Utilized Crown Annual Allowable Cut



INCREASING RENEWABLE ENERGY

DESCRIPTION OF PRIORITY

The Electricity from Renewable Resources Regulation requires NB Power to provide in-province customers with 40 per cent renewable electricity by December 31, 2020, and each year thereafter.

IMPORTANCE OF PRIORITY

Increasing the amount of renewable electricity to New Brunswickers is important to providing local economic opportunities and reduce greenhouse gas emissions, while limiting its growth to ensure rates remain affordable.

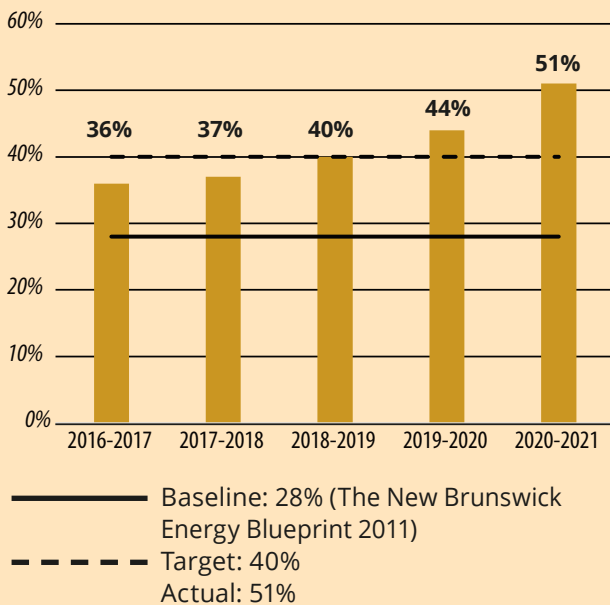
OVERALL PERFORMANCE

In 2020-2021, NB Power provided New Brunswickers with approximately 51 per cent renewable electricity. This electricity demand came from biogas, biomass, hydro and wind resources.

WHAT INITIATIVES OR PROJECTS WERE UNDERTAKEN IN THE REPORTING YEAR TO ACHIEVE THE OUTCOME?

The Regulation has been updated over time to ensure more local benefits of renewable energy projects were flowing to local communities. The locally owned renewable energy projects that are small scale have provided New Brunswick communities and First Nations the opportunity to partner with experienced renewable energy developers to bring more benefits to communities while supplying all New Brunswickers with more clean electricity.

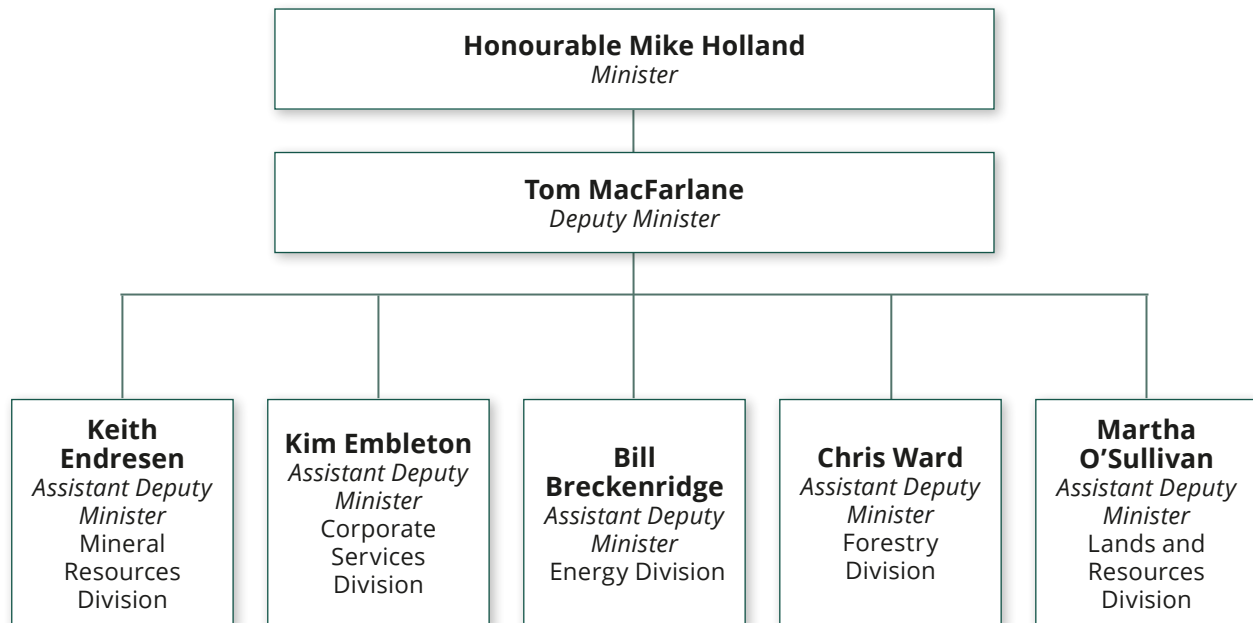
Electricity From Renewable Resources



Overview of departmental operations

The mandate of the Department of Natural Resources and Energy Development is to support, manage and protect the forests, fish and wildlife of New Brunswick and to develop and manage the province's energy and mineral resources.

HIGH-LEVEL ORGANIZATIONAL CHART



Division overview and highlights

The budget and expenses for the common administration of the Departments of Natural Resources and Energy Development and Agriculture, Aquaculture and Fisheries are recorded in the 2020-2021 annual report for the Department of Natural Resources and Energy Development. The common administration applies to the Corporate Services Division.

FORESTRY DIVISION

The Forestry Division supports, manages and protects the forests of New Brunswick.

The division consists of the **Forest Planning and Stewardship Branch** and the **Forest Operations and Development Branch** who share responsibility for the sustainable forest management of Crown lands.

The **Forest Planning and Stewardship Branch** is responsible for the acquisition and analysis of inventory data that characterizes forests and other terrestrial ecosystems. The branch leads the strategic planning and resource modelling for timber and habitat supply over time and is responsible for the monitoring and protection of forest health through integrated pest management. The branch also leads the conservation effort for the province's natural biodiversity, with programs for the identification and recovery of species at risk, and through the management of a network of protected natural areas.

Highlights

- ◆ Received more than 650 site nominations by fish and game clubs, conservation organizations, First Nation organizations, forest sector resource managers, scientists, and members of the public. The branch also worked with partnering land trusts and First Nations to secure more than 1,000 hectares of sensitive private lands from willing donors and sellers for permanent protection.
- ◆ Provided support and technical information to the Committee on the Status of Species at Risk (COSSAR), enabling the committee's critical function under the *Species at Risk Act*. COSSAR convened for several meetings, producing the committee's first status assessment to the Minister for the Bank Swallow, a small songbird now considered endangered in New Brunswick.

- ◆ Analyzed material from more than 1,960 locations across New Brunswick as part of the annual effort to monitor budworm populations. Treatment using responsible and carefully regulated products occurred on 32,560 hectares of forest which were identified as emerging budworm hot spots.

The **Forest Operations and Development Branch** is responsible for the operational oversight of silviculture, roads, harvest operations, and timber harvested from Crown lands. The branch also operates the Kingsclear Tree Nursery, where approximately 16M seedlings are grown each year. The branch is engaged daily with the forest sector on operational issues, but also leads strategic forest sector initiatives on behalf of the department.

Highlights

- ◆ Conducted climate change vulnerability assessments for the main forest roads in each licence area to protect the road network infrastructure on Crown lands. Predicted climate scenarios such as more frequent winter rain events were compared to infrastructure elements, including culverts and bridges, to rate risk and recommend mitigation strategies.
- ◆ Entered into a contribution agreement with Natural Resources Canada to access funding for small and medium sized enterprises through the federal Forest Sector Safety Measures Fund to offset incremental health and safety costs associated with COVID-19. The branch coordinated applications with eligible companies and submitted a total claim of \$1.5 million on behalf of 19 New Brunswick small and medium sized forest sector enterprises.

ENERGY DIVISION

The Energy Division provides the regulatory structure for the managed development of the province's energy sector.

The **Energy Branch** is divided into three main areas: sustainability, electricity and petroleum. The branch is responsible to provide energy policies, regulations and legislation that allow the downstream energy sector to operate in the province and ensure everyone has access to affordable energy to meet their needs across all sectors and regions. The branch works closely with the Climate Change Secretariat to implement actions to reduce greenhouse gas emissions in the energy sector and to develop more sustainable energy policies for the province that include renewable energy, energy efficiency and smart grid. The branch assists in determining the impacts and opportunities of federal greenhouse gas legislation and monitors the New Brunswick Energy and Utilities Board hearings to ensure provincial acts and regulations are working effectively.

Highlights

- ♦ Worked effectively with energy providers to put in place supporting measures to assist people with their energy costs during the COVID-19 pandemic.

- ♦ Worked to ensure essential energy workers could cross the provincial borders.
- ♦ Implemented legislation to prevent a second electricity rate increase during the pandemic.
- ♦ Released with Ontario and Saskatchewan, as well as Alberta as a potential signatory, a feasibility study as part of the inter-provincial Memorandum of Understanding on small modular reactors.
- ♦ Continued work with the Climate Change Secretariat and NB Power to advocate for a coal-fired electricity equivalency agreement with the federal government to reduce greenhouse gas emissions while ensuring electricity rates remain affordable for New Brunswickers.
- ♦ Continued work with advanced small modular reactor vendors in the province. This work included supporting further funding applications for phase II of the vendor design review process. Research and development work at the University of New Brunswick continued.

LANDS AND RESOURCES DIVISION

The Lands and Resources Division is responsible for the administration and management of programs and activities within the **Fish and Wildlife Branch**, the **Regional Operations Branch**, the **Forest Fire Management Branch**, and the **Crown Lands Branch**.

The **Fish and Wildlife Branch** administers programs related to the sustainable use of fish and wildlife resources in the province and manages hunting, trapping and angling activities. The branch is also responsible for fish and wildlife-related licensing and conservation education activities.

Highlights

- ♦ Worked to establish the inaugural wild turkey hunting season for spring 2021.
- ♦ Improved access at the Oromocto and Magaguadavic lake public boat launches, with the cooperation of Licensee and other departmental staff.
- ♦ Successfully stocked a full complement of fish province wide.

- ♦ Amended the *Fish and Wildlife Act* to extend Sunday hunting between October 14 and December 31.
- ♦ Maintained client service through the COVID-19 pandemic to provide safe hunting and angling opportunities.

The **Regional Operations Branch** is responsible for activities and services associated with the operational delivery of forestry, fish and wildlife, forest fire management, and Crown land programs. It consists of 12 districts with 18 offices with headquarter offices located in Region 1 (Bathurst), Region 2 (Miramichi), Region 3 (Fredericton), and Region 4 (Edmundston). The branch is also responsible for the department's land surveying duties.

Highlights

- ♦ Focused on fire, floods and nuisance wildlife as Forest Ranger staff were able to continue work plan tasks through mobile technology.

- ◆ Participated in rabies control measures in communities throughout southern and western New Brunswick.
- ◆ Implemented COVID-19 health and safety procedures to enable the continuance of moose data collection at departmental registration sites and at vendor registration stations.
- ◆ Assisted Emergency Measures Organization (EMO) and Public Safety at the interprovincial border checkpoints.

Forest Fire Management Branch is responsible for the coordination, education and administration of the provincial forest fire protection and suppression program as well as coordination and support for departmental vehicles, departmental radio communications and small engine maintenance.

Highlights

- ◆ Worked with industry partners to coordinate a shut down on all industrial operations on forest land for approximately 10 days during drought conditions and extreme fire hazard in mid-June.
- ◆ Secured additional suppression aircraft from Newfoundland and Quebec for part of the season due to extreme fire hazard and fire activity. This was done through a resource-sharing agreement with the Canadian Interagency Forest Fire Centre (CIFFC), designed to move resources efficiently from provinces with low fire activity to provinces with high fire activity.
- ◆ Utilized drones and thermal cameras to more efficiently find hot spots on fires to action field crews.

The **Crown Lands Branch** is responsible for management of the province's Crown lands, including coastal and submerged lands. The branch administers the legal responsibilities and manages initiatives associated with Crown lands of New Brunswick, including all recreational and commercial land transactions, such as leasing, purchases, sales and exchanges. The branch also administers recreational trail maintenance programs (non-motorized, ATV and snowmobile).

Highlights

- ◆ Received and processed 204 applications for Crown land.
- ◆ Issued 275 leases (renewals or new) and 101 licences of occupation for Crown land.
- ◆ Implemented a standardized trail inspection program on department owned former railway line (FRL) trail network. Now 100 per cent of the FRL will be inspected three times per year.
- ◆ Continued to make infrastructure investments on the DNRED-owned former railway line recreational trail:
 - The Renous and Aroostook Bridges received a new deck and railing.
 - DNRED partnered with Trans Canada Trail providing an opportunity to leverage funds for maintenance and enhancement projects along the Lincoln Trail.
 - Bridge assessments were completed for the Meduxnekeag, South West Miramichi, Becaguimec and Middle Shiktehawk bridges.

MINERAL RESOURCES DIVISION

The Mineral Resources Division provides the regulatory structure for the managed development of the province's mineral resources.

The division consists of the **Geological Surveys Branch** and the **Minerals and Resource Development Branch**.

The **Geological Surveys Branch** consists of three sections: Geological Surveys North, Geological Surveys South, and Promotions and Information Services. The branch is responsible for developing and maintaining a geoscience knowledge base and providing advice to the public and private sectors regarding mineral and petroleum resources and land use. The branch

actively promotes the province's mineral and petroleum resource potential to attract investment in mineral and petroleum sectors by participating in national conferences and organizing the department's annual Exploration, Mining and Petroleum Conference. The branch also manages an extensive geological, mineral and petroleum resources database, publishes geoscientific information on New Brunswick, and administers an Exploration Assistance Program to stimulate mineral exploration in New Brunswick.

Highlights

- ◆ Hosted the 45th annual Exploration, Mining and Petroleum Conference virtually, which comprised two days of exhibits along with oral and poster presentations on a variety of topics relative to minerals and energy in the province.
- ◆ Participated in virtual promotional activities to promote New Brunswick's mining sector at the 2021 Mineral Exploration Roundup and the Prospectors and Developers Association of Canada convention.
- ◆ The branch provided approximately \$475,000 in assistance to junior mining companies to help fund 17 exploration projects and approximately \$353,000 to 47 prospectors through the New Brunswick Exploration Assistance Program.

The **Minerals and Resource Development Branch** is composed of the Resource Tenure, Petroleum Resource Development and the Mining and Mineral Resources sections. Overall, the branch administers and manages the allocation of mineral, petroleum, Crown peat and Crown aggregate rights, and the exploration and development of these resources through the effective administration of departmental legislation and regulation.

Highlights

- ◆ Issued a mining lease in July 2020, for the Upham East gypsum mine. This mine is operated by Hammond River Holdings Limited and provides a domestic supply of gypsum to produce finished product here in the province.
- ◆ Under the *Quarriable Substances Act* issued 408 quarry permits, one new quarry lease, and renewed one quarry lease and two peat leases.

CORPORATE SERVICES DIVISION

The Corporate Services Division provides direction and support in matters of human resources, financial services, policy, strategy, information and technology, and facilities management.

The division consists of the **Financial Services Branch**, the **Human Resource Services Branch**, the **Information Systems and Departmental Services Branch**, the **Strategic Planning and Intergovernmental Relations Branch**, the **Regulatory Affairs Branch**, and the **Performance Excellence Branch**.

The **Financial Services Branch** is responsible for the department's financial resources, including expenditure and revenue management, budgeting, accounting and financial reporting services.

Highlights

- ◆ Supported the Government of New Brunswick Enterprise Resource Planning (ERP) team by participating in the Chart of Accounts mapping, the User Acceptance testing for the General Ledger module and the requirements gathering for the Fixed Asset Module.
- ◆ Supported the department through the transition to the new Telus Mobility contract.

labour relations, human resource policies, employee engagement, organizational development, succession planning and administration of programs such as health and safety.

Highlights

- ◆ Coordinated ongoing training for managers/supervisors on various human resources related topics such as mental health, workplace health and safety, substance use, and respectful workplaces.
- ◆ Supported other branches in developing operational plans to ensure a safe workplace during COVID-19.

The **Information Systems and Departmental Services Branch** provides province-wide services to the department, including information technology, records management, information security, intranet management, facilities management, and geographic information system services.

Highlights

- ◆ Developed several web and mobile applications to improve communications with the public as well as improve decision-making by department staff. This included an application to support the first Turkey Draw in the province, and an application to enable the collection of resource inventory in the field that supports the management planning process for Crown lands.

The **Human Resource Services Branch** is responsible for providing all human resource management services, including recruitment and retention, classification,

- ◆ As part of a mobile workforce project, desktop units were replaced with laptops to enable staff to work remotely, if necessary.
- ◆ Supported the Nature Legacy initiative by enabling staff to continue to identify proposed candidate sites, enabling GIS access for external stakeholders to review and provide comments on proposed sites, and creating a web application to allow the public to view and provide feedback on proposed areas.

The **Strategic Planning and Intergovernmental Relations Branch** provides strategy development, strategic planning, and support for federal/provincial/territorial (FPT) activities. The branch is also responsible for trade policy analysis, economic forecasting, monitoring, research, statistical analysis, reporting and providing support to the agriculture, aquaculture, fisheries, forestry, mining and energy sectors. Additionally, the branch is responsible for the management of ministerial correspondence and provides updates, input and analysis on various trade issues, including trade agreements.

Highlights

- ◆ Provided support for the federal, provincial and territorial Canadian Council of Forest Ministers (CCFM) and was an active participant in shaping Canada's Forests: *Our Roots, Our Future*, released March 2021.
- ◆ Supported the department's participation in and work under the federal-provincial-territorial Ministerial table on Conservation, Wildlife and Biodiversity (CWB), particularly in advancing conservation work under the Pathway to Canada Target 1 initiative.
- ◆ Provided support for the department's climate change actions and reporting contributions to the *Transitioning to a Low-Carbon Economy - New Brunswick's Climate Change Action Plan Progress Report 2020*.
- ◆ Published (on-line) Sectors in Review Reports for Energy for 2019, as well as Forestry for 2018, and the New Brunswick Energy and Natural Resources Export Highlights for 2019.

The **Regulatory Affairs Branch** provides leadership, coordination and support regarding the development of legislation, policy initiatives and proposals, and the Minister's legislative business. The branch also manages requests under the *Right to Information and Protection of Privacy Act* and provides support on privacy matters. The branch, in conjunction with the Strategic Planning

and Intergovernmental Relations Branch, provides policy administrative support to the Department of Natural Resources and Energy Development and the Department of Agriculture, Aquaculture and Fisheries' Policy Management Committee.

Highlights

- ◆ Coordinated responses to 17 requests under the *Right to Information and Protection of Privacy Act*.
- ◆ Supported the department with one legislative change, nine regulatory changes, and other proposals.

The **Performance Excellence Branch** supports the implementation of GNB's formal management system, leads process improvement projects and provides project management services throughout the department.

Highlights

- ◆ Worked with program areas to implement Lean Six Sigma Black Belt and Green Belt process improvement projects.
- ◆ Supported continuous improvement efforts, through coaching and training across the department. An example of these efforts is the evaluation of internet stick usage. Internet sticks are provided by the department's telecom service and are used to enable remote access by field staff. A waste walk was conducted and \$10,000 in annual savings were realized by removing underutilized devices from service.

Financial information

EXPENDITURES IN DETAIL 2020-2021 (\$)

| Ordinary Program | Main Estimates | Appropriation Transfers | Final Budget | Actual | Difference |
|------------------------|-------------------|-------------------------|--------------------|--------------------|------------------|
| Administration | 8,161,000 | 45,000 | 8,206,000 | 7,813,200 | (392,800) |
| Natural Resources | 79,860,000 | 4,759,800 | 84,619,800 | 85,043,200 | 423,400 |
| Energy and Mines | 5,402,000 | 913,900 | 6,315,900 | 11,875,200 | 5,559,300 |
| Land Management | 3,666,000 | 27,300 | 3,693,300 | 3,535,100 | (158,200) |
| Total 2020-2021 | 97,089,000 | 5,746,000 | 102,835,000 | 108,266,700 | 5,431,700 |

| Capital Program | Main Estimates | Appropriation Transfers | Final Budget | Actual | Difference |
|-----------------------------------|------------------|-------------------------|------------------|------------------|--------------------|
| Mine Reclamation | 1,150,000 | - | 1,150,000 | - | (1,150,000) |
| Musquash Watershed Infrastructure | 3,628,000 | - | 3,628,000 | 506,600 | (3,121,400) |
| Sentier NB Trail Infrastructure | 750,000 | - | 750,000 | 667,500 | (82,500) |
| Total 2020-2021 | 5,528,000 | - | 5,528,000 | 1,174,100 | (4,353,900) |

| Special Purpose Program | Main Estimates | Appropriation Transfers | Final Budget | Actual | Difference |
|-----------------------------|------------------|-------------------------|------------------|------------------|--------------------|
| Wildlife Trust Fund | 1,700,000 | - | 1,700,000 | 1,612,300 | (87,700) |
| Recoverable Projects | 4,545,000 | - | 4,545,000 | 3,207,100 | (1,337,900) |
| Trail Management Trust Fund | 1,400,000 | - | 1,400,000 | 1,811,100 | 411,100 |
| Total 2020-2021 | 7,645,000 | - | 7,645,000 | 6,630,500 | (1,014,500) |

REVENUES IN DETAIL 2020-2021 (\$)

| Revenue | Main Estimates | Appropriation Transfers | Final Budget | Actual | Difference |
|-----------------------------|-----------------------|--------------------------------|---------------------|-------------------|--------------------|
| Return on Investment | 126,000 | - | 126,000 | 133,600 | 7,600 |
| Licences and Permits | 5,598,000 | - | 5,598,000 | 5,573,100 | (24,900) |
| Sales of Goods and Services | 5,997,000 | - | 5,997,000 | 3,774,800 | (2,222,200) |
| Royalties | 70,085,000 | - | 70,085,000 | 69,773,200 | (311,800) |
| Fines and Penalties | 238,000 | - | 238,000 | 123,500 | (114,500) |
| Miscellaneous | 18,000 | - | 18,000 | 1,563,800 | 1,545,800 |
| Total 2020-2021 | 82,062,000 | - | 82,062,000 | 80,942,000 | (1,120,000) |

| Capital Accounts | Main Estimates | Appropriation Transfers | Final Budget | Actual | Difference |
|---------------------------------|-----------------------|--------------------------------|---------------------|----------------|-------------------|
| Capital Recoveries - Own Source | 100,000 | - | 100,000 | 306,500 | 206,500 |
| Total 2020-2021 | 100,000 | - | 100,000 | 306,500 | 206,500 |

| Special Purpose Accounts | Main Estimates | Appropriation Transfers | Final Budget | Actual | Difference |
|---------------------------------|-----------------------|--------------------------------|---------------------|------------------|-------------------|
| Conditional Grants - Canada | 4,545,000 | - | 4,545,000 | 3,207,100 | (1,337,900) |
| Return on Investment | 30,000 | - | 30,000 | 4,700 | (25,300) |
| Licences and Permits | 3,110,000 | - | 3,110,000 | 3,533,600 | 423,600 |
| Sales of Goods and Services | 5,000 | - | 5,000 | - | (5,000) |
| Miscellaneous | - | - | - | 8,600 | 8,600 |
| Total 2020-2021 | 7,690,000 | - | 7,690,000 | 6,754,000 | (936,000) |

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2020-2021 for the Department of Natural Resources and Energy Development.

| Number of permanent and temporary employees as of Dec. 31 of each year | | |
|--|------------|------------|
| Employee type | 2020 | 2019 |
| Permanent | 558 | 548 |
| Temporary | 62 | 62 |
| TOTAL | 620 | 610 |

The department advertised 23 competitions, including 10 open (public) competitions and 13 closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the department made the following appointments using processes to establish merit other than the competitive process:

| Appointment type | Appointment description | Section of the <i>Civil Service Act</i> | Number |
|---|--|---|--------|
| Specialized Professional, Scientific or Technical | An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> - a high degree of expertise and training - a high degree of technical skill - recognized experts in their field | 15(1) | 0 |
| Equal Employment Opportunity Program | Provides Aboriginal persons, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities. | 16(1)(a) | 3 |
| Department Talent Management Program | Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness. | 16(1)(b) | 1 |
| Lateral transfer | The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school districts) and 3 (hospital authorities) of the Public Service. | 16(1) or 16(1)(c) | 20 |
| Regular appointment of casual/temporary | An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service. | 16(1)(d)(i) | 0 |
| Regular appointment of students/apprentices | Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service. | 16(1)(d)(ii) | 0 |

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the Deputy Head of the Department of Natural Resources and Energy Development and no complaints were submitted to the Ombud.

Summary of legislation and legislative activity

| Bill # | Name of legislation | Date of Royal Assent | Summary of changes |
|--------|--|----------------------|---|
| 24 | An Act to Amend the Electricity Act https://www2.gnb.ca/content/dam/gnb/Departments/ag-pg/PDF/ActsLois/2020/Chap-35.pdf | December 18, 2020 | Amendments to the <i>Electricity Act</i> were necessary to avoid two electricity rate increases in 2021. The approved electricity rates for the 2020-2021 fiscal year were deferred until March 31, 2021 to help NB Power customers cope with the financial distress caused by the ongoing COVID-19 pandemic. |

| Name of regulation | Effective date | Summary of changes |
|---|----------------|---|
| Amendments to the Pipeline Regulation (2006-2) under the <i>Pipeline Act, 2005</i> | June 9, 2020 | Amended to allow for the updating of provisions by the New Brunswick Energy and Utilities Board to: <ul style="list-style-type: none"> – Change the name of the Board of Commissioners of Public Utilities to the Energy and Utilities Board; – Include a new safety code related to emergency response and preparedness designed specifically for the oil and gas industry; – Expand the list of structures that cannot be built on the pipeline right-of-way; and – Ensure there are adequate operating procedures to protect the pipeline from hazards. |
| Amendments to the Hunting Regulation (84-133) and the General Angling Regulation (82-103) under the <i>Fish and Wildlife Act</i> Amendments to the General Regulation (91-50) under the <i>Provincial Offences Procedure Act</i> | June 11, 2020 | Amended to: <ul style="list-style-type: none"> – Create a resident big game licence bundle for a combined deer, bear, and varmint licence at a reduced rate; – Provide free minors licences; and – Include ice fishing in resident fishing licences at no extra cost. <p>As a consequence of the amendments above, the offence of killing a fish under a live release licence was removed from the Regulation.</p> |
| Amendments to the Lands Administration Regulation (2009-62) under the <i>Crown Lands and Forests Act</i> | July 16, 2020 | Amended to: <ul style="list-style-type: none"> – Adjust current and provide for new regulated administrative fees to more accurately reflect the costs of the delivery of services; – Adjust regulated rents and establish new rent categories for the use of Crown lands that reflect the market values of Crown lands dispositions and provide an appropriate rate of return for exclusive land use rights and interests to use public land, effective April 1, 2021; – Remove regulatory barriers for the maple sugary industry by removing the definition of a value-added maple sugary; and – Add a provision to allow the Minister to require environmental impairment insurance as a condition of the lease where appropriate. |

| | | |
|--|-------------------|---|
| Creation of the Forest Products Marketing Board Regulation (2020-49) under the <i>Natural Products Act</i> | August 19, 2020 | Created a new temporary regulation to: <ul style="list-style-type: none"> - Defer district and annual meeting requirements for all seven Marketing Boards until the year 2021; - Allow the extension of terms an additional year for expiring elected members; - Establish that the terms for members elected in 2021 to be reduced by one year to maintain staggering of the terms; and - Allow the members of the Marketing Boards to appoint their auditors for the 2020-2021 fiscal year. |
| Amendments to the Moose Hunting Regulation (94-47) under the <i>Fish and Wildlife Act</i> | November 25, 2020 | Amended to: <ul style="list-style-type: none"> - Increase the number of ballots for resident applicants that have not been drawn in 20 or more years in the resident moose draw; and - Add the requirement to provide proof of proper training or previous hunting experience as eligibility to enter the draw. |
| Creation of the Wild Turkey Hunting Regulation (2021-30) under the <i>Fish and Wildlife Act</i> Amendments to the Registration Procedure Regulation (2015-4) under the <i>Fish and Wildlife Act</i> | March 30, 2021 | Created a Wild Turkey Hunting Regulation to establish a hunting season for wild turkeys, including the establishment of wild turkey hunting licences, and an application and draw system for those licences. Amended the Registration Procedure Regulation to add wild turkey hunting licences to the list of licences subject to licence registration provisions. |
| Amendments to the Hunting and Fishing Guides Licence Regulation (2011-70) under the <i>Fish and Wildlife Act</i> | March 30, 2021 | Amended to: <ul style="list-style-type: none"> - Allow departmental assistant conservation officers, in addition to conservation officers, to administer the guide's exam and to assess the performance of an applicant. |
| Amendments to the Lands Administration Regulation (2009-62) under the <i>Crown Lands and Forests Act</i> | March 30, 2021 | Amended to: <ul style="list-style-type: none"> - Charge current standard lease and licence rents for the 2021-2022 fiscal year and postpone the Crown rent increases in the amended Regulation until April 1, 2022; - Calculate rent for a maple sugary lease for the 2021-2022 fiscal at 50 per cent of the current standard lease rent; and - Retain the wording in the amended Regulation and remove the word "wind" energy and substitute "electrical" energy, effective April 1, 2021. |

The acts for which the department was responsible in 2020-2021 may be found at:
<http://laws.gnb.ca/en/deplinks?subjectnumber=5>

Summary of Official Languages activities

INTRODUCTION

The Department of Natural Resources and Energy Development continues to strive to ensure that Official Languages remains a priority with staff and the services offered. The following outlines the actions taken during 2020-2021 in each of the four areas of focus.

FOCUS 1

Ensure access to service of equal quality in English and French throughout the province:

- Employees were reminded of their legal obligation to offer service of equal quality in English and French in all locations.
- Linguistic profiles were maintained throughout the year and utilized during the hiring process to ensure the department's ability to provide services in both Official Languages throughout the province.

FOCUS 2

An environment and climate that encourages, for all employees, the use of the Official Language of their choice in their workplace:

- Communication, correspondence, and interactions with employees, such as performance appraisals, were delivered in their Official Language of choice.
- The department continued to encourage the use of both Official Languages for small meetings. For all large meetings, the department promoted bilingual presentations, or separate English and French sessions.

FOCUS 3

New and revised government programs and policies will take the realities of the province's official linguistic communities into account:

- Correspondence and information were provided to the public in the Official Language of their choice.
- The department's annual report provided a summary of activities associated with Official Languages.

FOCUS 4

Ensure Public Service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and the province's obligations with respect to Official Languages:

- The Deputy Minister, and other management team members, reminded employees of their legal obligation to offer services in the Official Language of choice of the client. Employees were also reminded of the Language of Service Policy and Guidelines and the Official Languages Toolkit.
- As part of the ongoing process for employee orientation and performance management, employees were required to read the policies related to Official Languages.

CONCLUSION

The department understands its obligations under the *Official Languages Act* and related policies and strives to provide quality services to clients in both Official Languages. The department encourages and supports the use of both Official Languages in the workplace and invests in employee development through second-language training.

Summary of recommendations from the Office of the Auditor General

SECTION 1 – INCLUDES THE CURRENT REPORTING YEAR AND THE PREVIOUS YEAR.

| Name and year of audit area with link to online document | Recommendations |
|--|-----------------|
| | Total |
| 2020 Volume 1 Chapter 4 Department of Natural Resources and Energy – Follow-up: 2008 Timber Royalties https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2020V1/Chap4e.pdf | 8 |

| Implemented Recommendations | Actions Taken |
|---|---|
| 4.51 We recommend the Department of Natural Resources and Energy Development develop a comprehensive Crown timber royalty rate-setting manual that includes, at a minimum: a detailed description of the stumpage appraisal methodology and associated processes in place to arrive at fair market values; and examples of all calculations required to update Crown timber royalty rates. | Initial discussions on the content and layout of the document have been completed. |
| 4.64 We recommend the New Brunswick Forest Products Commission develop and implement a methodology to better capture stumpage transaction data from independent contractors and/or landowners. | The Forest Products Commission is exploring a new method to capture additional stumpage transaction data from independent contractors and/or landowners. |
| 4.68 We recommend the New Brunswick Forest Products Commission complete the implementation of accounting and wood tracking software across all marketing boards. | Improvements to the software in tracking transportation certificates province-wide and data entry screens are in progress. |
| 4.71 We recommend the New Brunswick Forest Products Commission enhance the Stumpage Study Methodology and annual Stumpage Study Results reports to: articulate clear objectives; provide detailed methodology information with any year over year changes; and present the annual stumpage study results in a complete, consistent, comparable manner. | The format of the stumpage report has been changed, incorporating the recommendations from the Auditor General. A simplified report for the stumpage study results has been created, as well as a supplementary report that looks at other statistics and metrics drawn from the stumpage value study |
| 4.79 We recommend the Department of Natural Resources and Energy Development clearly define what “fair market value” means in the context of the <i>Crown Lands and Forests Act</i> , either through regulatory changes or Department policy. | This has been discussed and reviewed as part of 4.51. The department will include this definition in the process document being developed. |
| 4.85 We recommend the Department of Natural Resources and Energy Development ensure Crown timber royalty rates are reviewed annually and updated as required by the <i>Crown Lands and Forests Act</i> . | The department reviewed royalty rates as per the <i>Act</i> for the 2021-22 fiscal year. The department will continue to review royalty rates annually as per the <i>Crown Lands and Forests Act</i> . |
| 4.102 We recommend the Department of Natural Resources and Energy Development: undertake changes to the <i>Crown Lands and Forests Act</i> to give the Minister of Natural Resources and Energy Development authority to make more timely updates to Crown timber royalty rates to be more responsive to changes in the private wood stumpage market; and work toward getting adequate real-time data and information from all sources to better facilitate accurate and timely changes to Crown timber royalty rates, if required. | The period of the most recent Commission stumpage study was altered from the original October to September timeframe to a January to December timeframe. Since January of 2021, the Commission is also collecting data and reporting stumpage value trends to the department on a monthly basis. |

4.107 We recommend the Department comply with the *Crown Lands and Forests Act* and re-establish an advisory board or, alternatively, undertake revisions to the *Act* and/or regulation to accurately address the ongoing status of the advisory board.

The department has started the process of identifying potential board members.

SECTION 2– INCLUDES THE REPORTING PERIODS FOR YEARS THREE, FOUR AND FIVE.

| Name and year of audit area with link to online document | Recommendations | |
|---|-----------------|-------------|
| | Total | Implemented |
| 2019 Volume 3 Chapter 7 Contaminated Sites https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Chap7e.pdf | 2 | 2 |

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. The Department of Natural Resources and Energy Development did not receive any disclosure(s) of wrongdoing in the 2020-2021 fiscal year.

Appendix A: Silviculture

PRODUCTION AT THE KINGSCLEAR NURSERY AND THE ATLANTIC FOREST SEED CENTRE

| Year | Products | | | |
|-----------|-------------------|--------------------|------------------|------------------------------|
| | Seedling produced | Seed produced (kg) | Seed stored (kg) | Seed stored for clients (kg) |
| 2020-2021 | 17,000,000 | 15 | 2,205 | 2,953 |
| 2019-2020 | 16,400,000 | 276 | 2,295 | 2,916 |
| 2018-2019 | 15,900,000 | 68 | 2,106 | 2,816 |

CROWN SILVICULTURE BY YEAR (HA)

| Year | Planting-related activities | | Pre-commercial thinning |
|-----------|-----------------------------|--------------------|-------------------------|
| | Tree planting | Plantation tending | |
| 2020-2021 | 9,847 | 13,308 | 14,786 |
| 2019-2020 | 11,056 | 14,324 | 14,174 |
| 2018-2019 | 10,534* | 14,849 | 15,274* |

* updated from silviculture record reviews

PRIVATE LAND SILVICULTURE BY YEAR (HA)

| Year | Planting-related activities | | | Pre-commercial thinning |
|-----------|-----------------------------|---------------|--------------------|-------------------------|
| | Site preparation | Tree planting | Plantation tending | |
| 2020-2021 | 1,244 | 1,466 | 952 | 2,611 |
| 2019-2020 | 1,210 | 1,328 | 914 | 2,668 |
| 2018-2019 | 914 | 931 | 868 | 2,830* |

* updated from the 2018-2019 report

Appendix B: Crown Harvesting

FOREST PRODUCTS HARVESTED FROM CROWN LANDS (M³)

| Year | Species Group | Licensees and Sub-Licensees | First Nations | Special Permits | Total |
|-----------|---------------|-----------------------------|---------------|-----------------|-----------|
| 2020-2021 | Softwood | 3,184,753 | 199,595 | 7,033 | 5,210,732 |
| | Hardwood | 1,729,729 | 57,137 | 32,485 | |
| 2019-2020 | Softwood | 3,408,969 | 202,814 | 13,201 | 5,600,492 |
| | Hardwood | 1,895,206 | 52,876 | 27,426 | |
| 2018-2019 | Softwood | 3,371,454 | 202,600 | 3,275 | 5,468,007 |
| | Hardwood | 1,803,182 | 49,958 | 37,538 | |

Appendix C: Fire

AREA DESTROYED BY FIRE IN HECTARES (HA) 2020, 2019, 2018

| Region | | 1 | 2 | 3 | 4 | Total |
|--------|-------|----|-------|-----|----|-------|
| 2020 | Fires | 84 | 121 | 220 | 37 | 462 |
| | ha | 33 | 1,048 | 230 | 78 | 1,389 |
| 2019 | Fires | 49 | 26 | 85 | 22 | 182 |
| | ha | 36 | 38 | 145 | 9 | 228 |
| 2018 | Fires | 77 | 78 | 104 | 26 | 285 |
| | ha | 43 | 154 | 98 | 17 | 312 |

10-year average: 236 fires, 320 ha

2020 FIRES BY CAUSE

| Cause | Number | Ha |
|----------------|-----------|-------------|
| Human/Industry | 385 (83%) | 1,224 (88%) |
| Lightning | 28 (6%) | 51 (4%) |
| Unknown | 49 (11%) | 114 (8%) |

Appendix D: Fish and Wildlife

HUNTING LICENCES ISSUED

| Licence type ¹ | Deer | Moose ² | Bear | Small game | Varmint | Minors ³ |
|---------------------------|---------------|--------------------|--------------|---------------|---------------|---------------------|
| Resident | 45,109 | 4,732 | 7,372 | 12,486 | 11,791 | 727 |
| Designated Hunter | | 3,570 | | | | |
| Non-Resident | 99 | 98 | 58 | 140 | 5 | |
| Total 2020 | 45,208 | 8,400 | 7,430 | 12,626 | 11,796 | 727 |
| Resident | 42,256 | 4,663 | 4,995 | 10,701 | 9,618 | 884 |
| Designated Hunter | - | 3,459 | - | - | - | - |
| Non-Resident | 692 | 100 | 2,382 | 425 | 12 | - |
| Total 2019 | 42,948 | 8,222 | 7,377 | 11,126 | 9,630 | 884 |
| Resident | 42,788 | 4,352 | 5,146 | 10,387 | 9,644 | 967 |
| Designated Hunter | - | 3,287 | - | - | - | - |
| Non-Resident | 247 | 100 | 478 | 407 | 23 | - |
| Total 2018 | 43,035 | 7,739 | 5,624 | 10,794 | 9,667 | 967 |

1 1015 licence bundles were sold in 2020.

2 Resident moose hunters may designate a hunter to accompany them. The bag limit for the party remains one moose.

3 The equivalent of a small game licence for person aged 12 to 15 years.

ANGLING LICENCES ISSUED

| Species | 2020 | 2019 | 2018 |
|-----------------|---------------|---------------|---------------|
| Atlantic salmon | 9,244 | 11,381 | 12,054 |
| Other species* | 58,789 | 48,839 | 50,146 |
| Total | 68,033 | 60,220 | 62,200 |

* Includes ice fishing licence sales.

DETAILS OF LICENCES ISSUED, 2020

| Angling | Resident | Non-resident |
|-----------------|----------------|--------------|
| Atlantic salmon | 8,730 | 514 |
| Trout, etc. | 56,079 | 1,016 |
| Ice Fishing | 1,610 | 84 |
| Crown Reserve* | Residents only | |
| Miramichi | 790 | |
| Restigouche | 434 | |
| Patapedia | 4 | |

* Regular stretches