

Natural Resources and Energy Development

Annual Report
2019–2020



**Natural Resources and Energy Development
Annual Report 2019-2020**

Province of New Brunswick
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Transmittal Letters

From the Minister to the Lieutenant-Governor

The Honourable Brenda L. 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, 2019, to March 31, 2020.

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, 2019, to March 31, 2020.

Respectfully submitted,



Tom MacFarlane
Deputy Minister

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Minister's message

The Department of Natural Resources and Energy Development plays a definitive role in the province's economy, history and culture. We are fortunate to live in a province with such rich natural resources.

Under its mandate, the department oversees a dynamic wildlife and natural resources industry, vital to the economy and an important part of our identity as New Brunswickers.

I am pleased that long awaited amendments were made to the Moose Hunting Regulation to increase the number of ballots for resident applicants that have not been drawn for 20 or more years. Moose hunters must also now provide proof of proper training before applying for the draw. We listened to stakeholders and opened more lakes for ice fishing.

Work continues on historic conservation efforts to double the amount of protected and conserved freshwater, forests and other natural spaces for future generations. The department understands the importance of conserving natural areas as part of an overall approach to meeting forest and land management objectives. This includes adapting to climate change, protecting biodiversity, protecting wetlands and watersheds, and protecting species at risk.

The department is leading the next generation of nuclear technology, energy and mining best practices, all the while ensuring environmental sustainability is incorporated into the policies and programs driving our industries forward.

I am proud of the work the department does in the areas of forestry, fish and wildlife, Crown land management, and energy and mines. I thank the department's dedicated staff for the important work they do every day.

A handwritten signature in black ink, appearing to read "Michael Holland". The signature is fluid and cursive, with a large initial "M" and "H".

Honourable Mike Holland
Minister of Natural Resources and Energy Development

Deputy Minister's message

As a significant contributor to the economy and job creation, the Department of Natural Resources and Energy Development works with First Nations, industry, stakeholders and residents to ensure the safe and responsible development of our province's natural resources, including our forests and Crown lands, fish and wildlife, and the energy and mining sectors.

The forestry sector is a major contributor to New Brunswick's economy. During the 2019-2020 reporting period, the department continued to take measures to maximize the consumption of the sustainable Crown wood supply and maintained the previous year's initiatives to develop a process to better monitor wood flow trends, and to improve and facilitate wood flow from Crown land.

While the 2019-2020 forest fire season was relatively quiet, firefighters with the department were mobilized to help combat wildfires in Saskatchewan, Ontario, and Australia.

The province's energy and mining sectors are a constantly evolving part of our economy. Efforts continue to increase our geoscience knowledge. The department continues to work with the provinces of Ontario and Saskatchewan to collaborate on the development of small modular reactors in Canada. Work is ongoing with NB Power and the Climate Change Secretariat in evaluating the federal greenhouse gas emission regulations, including a made-in-New Brunswick approach for the Output Based Pricing System which was submitted to the federal government for consideration.

None of the department's accomplishments would have been possible without the hard work, and dedication of our employees. I thank them for their professionalism and passion.



Tom MacFarlane
Deputy Minister

Top Government Priorities

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.

Our Top Priorities:

Affordable and Responsive Government

Getting our financial house in order will make it possible for government to be responsive and provide sustainable high-quality public services for all New Brunswickers.

Dependable Public Health Care

New Brunswickers deserve a sustainable, high-quality health-care system where they are able to access the services they need when they need them.

World-class Education

New Brunswick's young people need access to a world-class education, so they can make the most of their lives and compete in future job markets.

Energized Private Sector

All New Brunswickers benefit from a thriving private sector. Increasing private sector investment, growing our labour force and being home to successful businesses of all sizes is good for our province.

Vibrant and Sustainable Communities

Vibrant communities are places people want to call home. More vibrant and sustainable communities make for a more resilient province.

High-performing Organization

All New Brunswickers benefit when engaged and empowered civil servants use their talents and skills to make our province a better place.

Highlights

During the 2019-2020 fiscal year, the Department of Natural Resources and Energy Development focused on these strategic priorities through:

- Finalizing a 4-year, \$9.2M contribution under the federal Canada Nature Fund in support of work to double New Brunswick's network of permanently protected land and freshwater.
- Implementing an early intervention treatment plan for spruce budworm in June of 2020 covering 9,920 ha of forest in northern New Brunswick.
- Amending the Moose Hunting Regulation to increase the number of ballots for resident applicants that have not been drawn in 20 or more years in the computerized draw and adding the requirement of proof of proper training or previous hunting experience as eligibility to enter the resident moose draw.
- Opening eighty-two new lakes throughout the province to provide additional winter fishing opportunities.
- Providing support for forest fire suppression in New Brunswick, as well as coordinating the mobilization of 124 staff members to assist with wild fires in Alberta and Ontario and 16 staff to assist with an unprecedented fire season in Australia.
- The 2019 spring flood resulted in extended mobilization provincially. A total of 782-person days were spent aiding in fish and wildlife, swift water rescue, and EMO Incident Command personnel support.
- With funding from the federal Department of National Defense, making the Former Tracadie Military Range safer by meeting with local public, municipalities and stakeholders, and by clearing 23.4 km of recreational trails, installing 39 safety signs, investigating 745 ha of tenured area, and clearing 2.4 km of forestry roads with no explosive ordinance found.
- Continuing to work with the small modular reactor vendors in the province, Advanced Reactor Concepts, LLC, and Moltex Energy Limited, on the development of a research cluster in New Brunswick. This included the signing of a Memorandum of Understanding with Ontario and Saskatchewan committing to collaborate on the development and deployment of innovative, versatile and scalable nuclear reactors.

Performance measures

Affordable and responsive government	Measures
Balance budget	Actual to budgeted expenditures
Balance budget	Actual to budgeted revenues
Energized private sector	Measures
Ensure responsible development in vibrant and competitive resource sectors	Forest sector contribution to Gross Domestic Product (GDP) from Crown forests
Ensure responsible development in vibrant and competitive resource sectors	Amount of Crown Annual Allowable Cut (AAC) fully utilized
Ensure responsible development in vibrant and competitive resource sectors	Increase in the geoscientific knowledge index
Ensure responsible development in vibrant and competitive resource sectors	Percentage of fish and wildlife products sold through Service New Brunswick (SNB), that were sold online

Affordable and responsive government

Objective of the measure

Balance budget

Measure

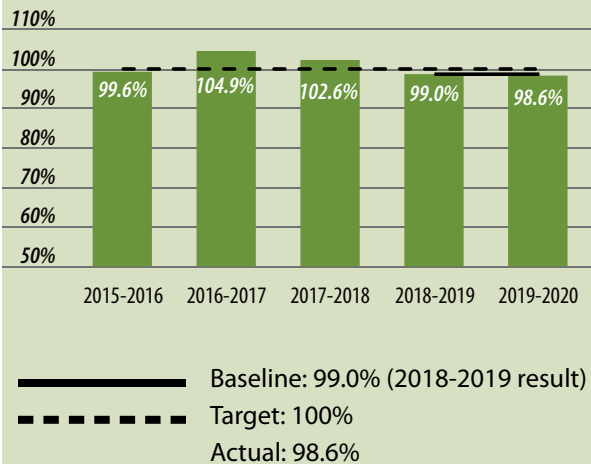
Ratio of actual to budgeted expenses

Description of measure

The ratio measures whether the department is over-budget or under-budget on expenditures. The ratio will exceed 100 per cent when expenses are over-budget and will be less than 100 per cent when under-budget.

Overall performance

The department was under budget by \$1.4M on ordinary expenditures.



Why do we measure this?

This measure shows whether the department is adhering to the expense budget that it tabled at the beginning of the fiscal year. It shows whether the department can implement and manage the various budget decisions incorporated into its expense budget plan, although there will be some variables that are not within GNB's control (for example: floods and fires).

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department was under-budget in 2019-2020 due to operational savings and efficiencies.

Affordable and responsive government

Objective of the measure

Balance budget

Measure

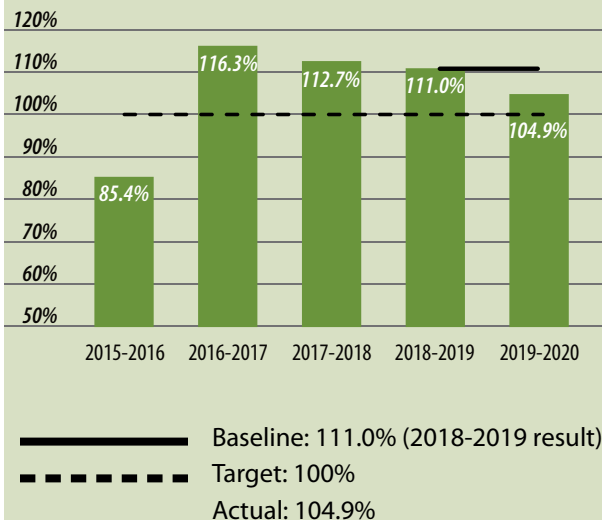
Ratio of actual to budgeted revenue

Description of measure

The ratio measures whether the department is over-budget or under-budget on revenue. The ratio will exceed 100 per cent when revenue has exceeded budget and be less than 100 per cent when revenue has not achieved budget.

Overall performance

The department's ordinary revenue was above budget by \$3.9M.



Why do we measure this?

This measure shows whether the department is meeting the projected revenue that is tabled at the beginning of the fiscal year.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department reached 104.9 per cent of the ordinary revenue budget mainly due to higher than expected timber and salt royalties, and recoveries from fire mobilization.

Energized private sector

Objective of the measure

Ensure responsible development in vibrant and competitive resource sectors

Measure

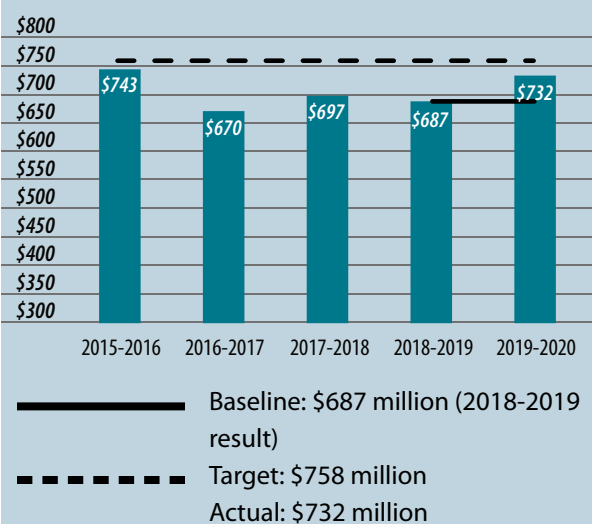
Forest sector contribution to Gross Domestic Product (GDP) from Crown forests

Description of measure

The forest sector is a major contributor (about five percent) to New Brunswick's GDP and, therefore, employment in the province. Wood consumption on Crown lands provides a key supply to the forest sector in addition to private wood supplies and imports. The forest sector's impact on GDP is largely influenced by commodity prices, but it is also influenced by total volume consumed.

Overall performance

The department saw a slight increase in its performance compared to 2018-2019 by reporting \$732M, or a 6.7 per cent increase. The actual was 3.4 per cent below the target of \$758M.



Why do we measure this?

This measure attempts to remove variation in commodity prices to understand the department's influence on GDP. The department's role is primarily to facilitate the consumption of volume to ultimately increase the forest sector contribution to GDP. Multipliers have been developed to calculate the effect of roundwood production, manufactured wood products and pulp and paper product sales on direct and indirect GDP. Government cannot control commodity prices but can influence consumption of Crown roundwood.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department used tactics to maximize the consumption of the sustainable Crown supply, including temporary assignments and export approvals. The result was 3.4 per cent below target, and 6.7 per cent higher than the 2018-2019 outcome. The increase in GDP compared to 2018-2019 was the result of higher consumption of spruce, fir, jack pine saw material and hardwood pulpwood in 2019-2020 related to finished product markets.

Energized private sector

Objective of the measure

Ensure responsible development in vibrant and competitive resource sectors

Measure

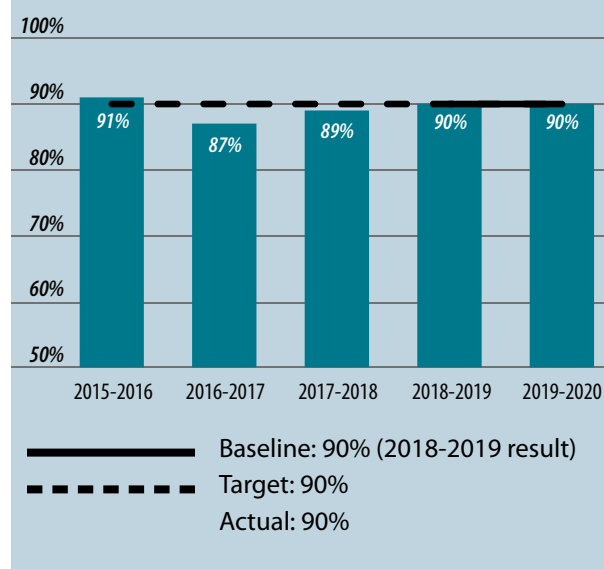
Amount of Crown Annual Allowable Cut (AAC) fully utilized

Description of measure

To judge processes in achieving the department's goal of full consumption of the roundwood volume referred to as the AAC.

Overall performance

The annual volume harvested was 90 per cent of the AAC, similar to 2018-2019 and on target.



Why do we measure this?

Monitoring the volume of wood consumed each quarter provides insight on the wood flows through the year and they 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.

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 487,000 m³ or eight per cent of total Crown wood to flow. Temporary assignments and exports totaled 378,000 m³ and 109,000 m³ respectively.

Energized private sector

Objective of the measure

Ensure responsible development in vibrant and competitive resource sectors

Measure

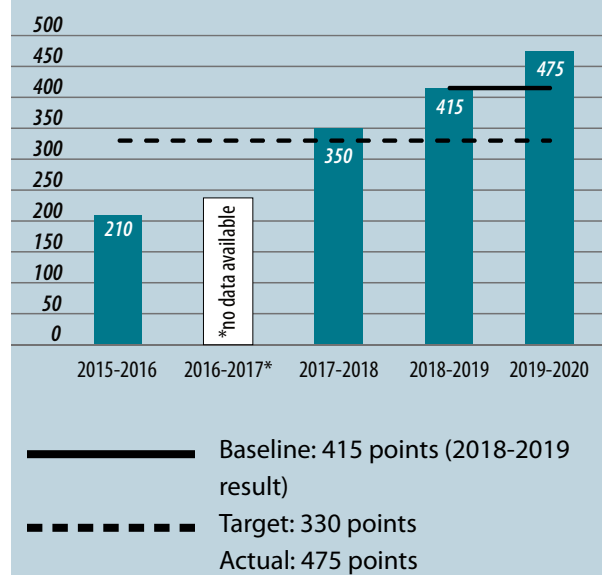
Increase in the geoscientific knowledge index

Description of measure

Each year, staff with the Geological Surveys Branch conducts scientific projects with the aim of increasing the understanding of New Brunswick's geology. Each project is assigned "points" based on its scientific merit. These points combine to give the geoscientific knowledge index. The geoscientific knowledge index value below represents the cumulative points assigned to the new geoscience reports, maps, and journal articles produced each year.

Overall performance

During 2019-2020, departmental performance surpassed the target increase in geoscience knowledge for the year. This can be attributed to adequate funding and support for use of new technologies, few disruptions to planned work, enhanced dissemination of geoscience information at geoscience conferences held locally (both regional and national), and increased publications stemming from successful collaborations with university researchers and industry.



Why do we measure this?

Geoscience information gathering by government is considered a competitive advantage, aimed at attracting investment in New Brunswick's mineral and petroleum sectors. Exploration companies and prospectors rely on government to provide the necessary geological information to aid in their search for economic deposits. Geoscience information is also fundamental to making informed decisions regarding land-use planning, potential geo-hazards, coastal zone erosion mitigation, sourcing construction aggregate for infrastructure projects, groundwater investigations, and forest management.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

Several projects were completed within the following categories:

1. **Bedrock Mapping:** Bedrock formations in New Brunswick are mapped to provide a geological framework for mineral exploration and land-use planning.
2. **Surficial and Coastal Mapping:** Surface deposits in New Brunswick including sand and gravel are mapped and chemically analysed to outline metallic mineral anomalies and to identify aggregate deposits for use as construction materials. The effects of coastal erosion are documented to provide information for land-use planning.
3. **Metallic Mineral Deposits:** Geological characteristics of known metallic mineral deposits (lead, zinc, copper, gold, tin, antimony, etc.) in New Brunswick are documented to provide guidelines for the exploration industry to use in the search for new deposits.
4. **Petroleum Resources:** Geological characteristics of petroleum reservoirs in New Brunswick are documented to provide guidelines for the petroleum exploration industry.
5. **Geoscience Databases:** Information on geoscience reports and maps, and on mineral and petroleum resources, are compiled, stored, and distributed to clients as digital files on the Department of Natural Resources and Energy Development's website.

Energized private sector

Objective of the measure

Ensure responsible development in vibrant and competitive resource sectors

Measure

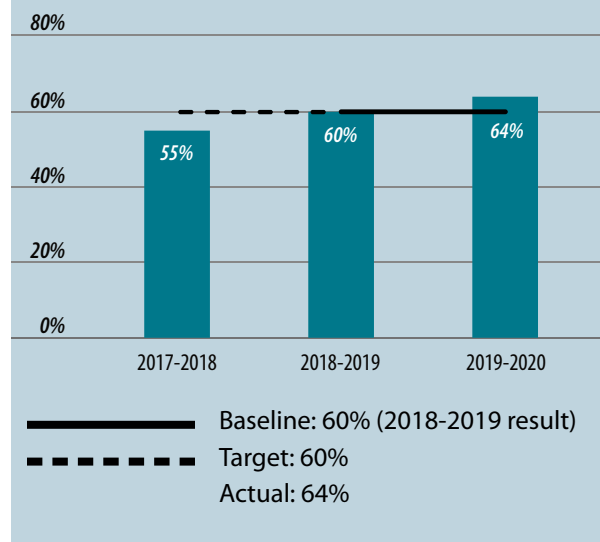
Percentage of fish and wildlife products sold through Service New Brunswick (SNB), that were sold online.

Description of measure

Fish and wildlife products such as hunting and fishing licences are available at SNB offices, online, and from a variety of vendors across the province. Many clients find the online option to be more convenient than travelling to an SNB office. This measure demonstrates the effects of the department's efforts in promoting this convenient, self-serve option over the use of SNB service counters.

Overall performance

During 2019-2020, 64 per cent of SNB licence sales occurred online exceeding our target.



Why do we measure this?

The department would like to increase awareness of the self-serve online option to purchase fish and wildlife products. Purchasing online is generally faster, more efficient and can be done at a client's convenience, which can enhance their overall experience.

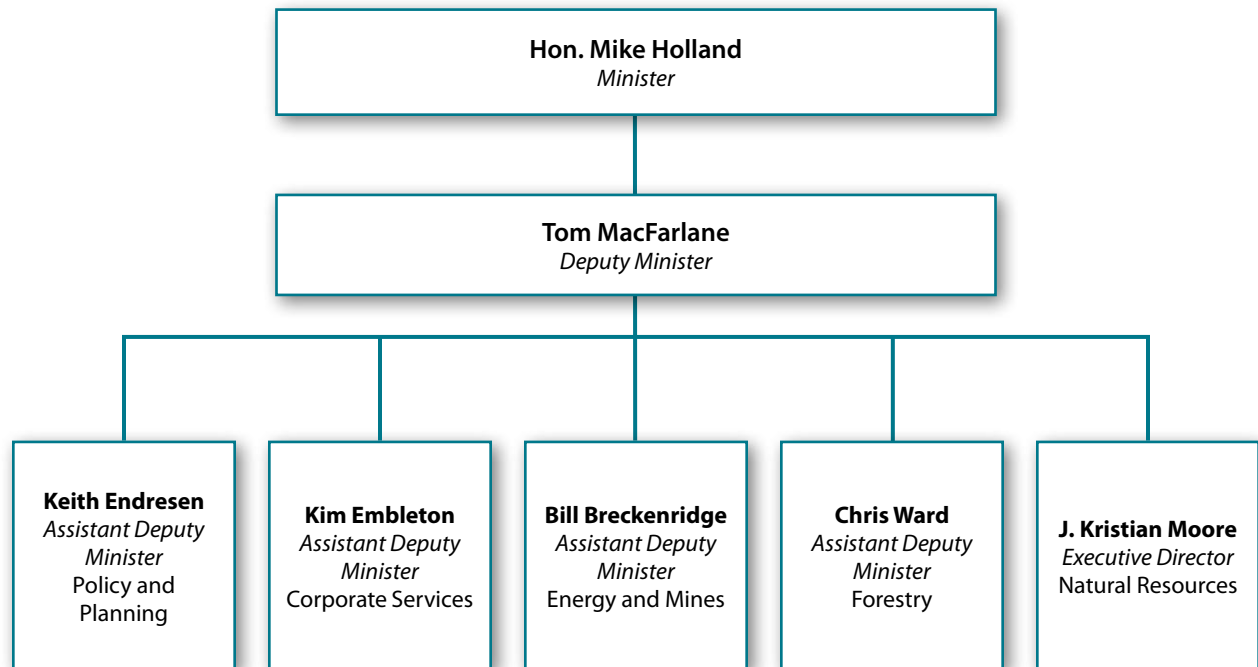
What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department continues to promote the self-serve option in all printed materials provided to clients and communicating it via phone when on a call with a client. We also take opportunities to promote this option to clients and potential clients at events around the province.

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 2019-2020 annual report for the Department of Natural Resources and Energy Development. The common administration applies to the Policy and Planning Division and 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

- ◆ The branch worked with partnering conservation agencies, including the Nature Trust of New Brunswick, the Nature Conservancy of Canada, and Ducks Unlimited, to secure 1,002 ha of high conservation value private land towards the goal of doubling New Brunswick's network of permanently protected land and freshwater.
- ◆ The branch, in coordination with the Healthy Forests Partnership, completed 9,400 km of aerial surveys, and processed in the Forest Health lab material collected at 1,895 plots as part of its effort to monitor populations of spruce budworm and the damage they cause to

spruce and fir trees. Only 2,600 ha of trace/light defoliation was detected in 2019 surveys, an indication of continuing success of the program.

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

- ◆ The branch established a formal management system through tablet/web applications which has enabled the branch to track observations and foster improvement of crown timber licence key performance indicators. These improvements have led to the successful environmental certification of all Crown timber licences.
- ◆ The branch assessed a total of 1,450 sites where a total of 5,400 key performance indicators were evaluated and tracked through a formal management system.
- ◆ The branch led an initiative to better serve and improve the system for private woodlot marketing in New Brunswick. Key projects under this initiative included: a private woodlot optimization project in which over 70 stakeholders, including woodlot owners, contractors, mills and marketing boards were interviewed; a Minister's Roundtable with key private woodlot stakeholders; a private woodlot silviculture strategy and long-term timber supply analysis; initiation of a provincial website for private woodlot owners; and the creation of a working group to improve the private woodlot marketing system.

Natural Resources Division

The Natural Resources Division supports, manages and protects the forests, and fish and wildlife of New Brunswick.

The division consists of the **Fish and Wildlife Branch**, the **Forest Fire Management Branch**, the **Regional Operations Branch**, and the **Crown Lands Operations Section**.

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

- ◆ The branch successfully held the first NB Youth Dream Hunt.
- ◆ The branch rolled out the new Hunter Education curriculum.

The **Forest Fire Management Branch** is responsible for 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

- ◆ The branch, in addition to providing support to the regions for New Brunswick fires, coordinated the mobilization of 124 staff to assist with wildfire suppression in Alberta and Ontario. This was done through a resource-sharing agreement with the Canadian Interagency Forest Fire Centre (CIFFC), designed to move resources from provinces with low fire activity to provinces with high fire activity. Under this agreement, expenses related to out-of-province fire suppression are reimbursed.
- ◆ In January, the branch mobilized 16 staff to assist with wildfire suppression in Australia. Although in the past, New Brunswick has

mobilized resources to assist with wildfires in another country (United States), this was the first time the department was able to assist with wildfires in Australia. This was done through a Canada – Australia resource-sharing agreement that is administered by the CIFFC. As per sharing resources within Canada, expenses related to out-of-province fire suppression are reimbursed.

- ◆ The branch continued with a multi-year project to upgrade and modernize fire weather stations and associated infrastructure along with developing oversight for the New Brunswick Fire Weather website and associated deliverables.

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).

Highlights

- ◆ The department trained 24 staff in a Swift Water Emergency Rescue Boat Operators course and equipped them with proper personal protection equipment.
- ◆ In addition to staff being involved in Forest Management, Fish and Wildlife and Crown Lands activities, Forest Ranger staff participated in rabies control measures through aerial and hand baiting in communities throughout southern and western New Brunswick.

The **Crown Lands Operations Section** is responsible for the department's land surveying duties, and with assisting other departmental branches on Crown land operations.

Highlights

- ◆ With funding from the federal Department of National Defense, the section succeeded in making the Former Tracadie Military

Range safer by meeting with local public, municipalities and stakeholders, and by clearing 23.4 km of recreational trails, installing 39 safety signs, investigating 745 ha of tenured area, and clearing 2.4 km of forestry roads with no explosive ordinance found.

- ◆ The section worked with staff in 12 districts to coordinate 424 requests related to access to Crown land (for maple sugaries, motorized trails, windfarms, transfers of administrative control, land exchanges, leases, licences of occupation, and unauthorized occupations).
- ◆ The section completed 54 land survey requests, including Protected Natural Areas, illegal occupations, and boundary re-establishment for forestry licensees.
- ◆ The section coordinated the regional delivery of Crown land inspection programs, such as lease inspections, former railway lines, illegal Crown land dumps, and forest inventory programs, such as permanent sample plots, spruce budworm, tree improvement, Protected Natural Areas signage, and forest disturbance.

Energy and Mines Division

The Energy and Mines Division provides the regulatory structure for the managed development of the province's energy and mineral resources.

The energy component of the division provides policies, regulations and legislation to support the downstream side of the energy sector that balances consumer, industry and environmental needs.

The mines component of the division provides relevant geological knowledge, promotion of provincial resources, advice and support to the public and private sectors. It provides for the sustainable exploration and development of mineral, petroleum, Crown aggregate and Crown peat resources through a comprehensive regulatory framework.

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

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

- ◆ The branch continued to work with NB Power and the Climate Change Secretariat to evaluate and provide options on federal greenhouse gas emission regulations. This included work on a Made-in-New Brunswick approach to the Output Based Pricing System which was submitted to the Federal Government for consideration.
- ◆ The branch is working with colleagues in the Atlantic region on the development of a Clean Power Roadmap for Atlantic Canada. This two-year project is funded by the federal government to assist in studying ways for the Atlantic region to move more clean energy to areas that need it as we transition away from fossil fuels. The project is looking at resource options like transmission, generation and storage options as well as electrification opportunities in the energy sector.

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

- ◆ The branch hosted the 44th annual Exploration, Mining and Petroleum Conference, which brought together just under 300 delegates for presentations on a variety of topics relative to minerals and energy in the province.
- ◆ The branch promoted New Brunswick's mining sector at the 2020 Mineral Exploration Roundup in Vancouver and the Prospectors and Developers Association of Canada convention in Toronto.
- ◆ The branch provided approximately \$372,000 in assistance to junior mining companies to help fund 14 exploration projects and approximately \$345,000 to 55 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

- ◆ The branch assisted with the negotiation of a salt supply agreement between the Department of Transportation and Infrastructure and Nutrien that allowed the resumption of salt mining at

the Picadilly underground mine, resulting in an increase of 35 jobs over what would have been required had operations progressed with full decommissioning of the site.

Policy and Planning Division

The Policy and Planning Division provides support to the Department of Natural Resources and Energy Development, and the Department of Agriculture, Aquaculture and Fisheries, and consists of the **Strategic Planning and Intergovernmental Relations Branch**, the **Regulatory Affairs Branch**, the **Performance Excellence Branch**, the **Corporate Affairs Branch**, and the **Economic Analysis and Trade Policy Branch**.

The **Strategic Planning and Intergovernmental Relations Branch** provides strategy development, strategic planning, and support for federal/provincial/territorial (FPT) activities.

Highlights

- ◆ The branch provided support for the federal, provincial and territorial Canadian Council of Forest Ministers (CCFM) and was an active participant in shaping *A Shared Vision for Canada's Forests: Toward 2030*, released September 2019.
- ◆ The branch supported the department's participation in and work under the Federal-Provincial-Territorial Ministerial table on Conservation, Wildlife and Biodiversity (CWB). This work included co-chairing the CWB Steering Group, the Canadian Wildlife Directors Committee (CWDC) and the Biodiversity Working Group, and hosting a face-to-face meeting of the CWDC in May 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 privacy matters.

Highlights

- ◆ The branch coordinated responses to 48 requests under the *Right to Information and Protection of Privacy Act*.
- ◆ The branch provided support to contribution agreements that enabled conservation investments as part of the Pathway to Canada Target 1 Initiative.
- ◆ The branch, in conjunction with the Strategic Planning and Intergovernmental Relations Branch, continued to provide policy administrative support to the Department of Natural Resources and Energy Development and the Department of Agriculture, Aquaculture and Fisheries' Policy Management Committee.

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

- ◆ The branch worked with program areas to implement Lean Six Sigma Black Belt/Green Belt Process Improvement projects and conducted Waste Walk training sessions for employees. The branch also implemented a new Improvement Reporting System allowing staff to easily report improvements they implement in their work areas. This work has improved service delivery and has generated savings valued at more than \$200,000 in time and money.
- ◆ The branch supported the initial phases of the value for money initiative, establishing measures for each program area within the Department. The branch also supported program areas in the design and delivery of the department's strategy, provided project management support, and supported the establishment of daily management techniques.

The **Corporate Affairs Branch** provides corporate policy support, including review and analysis of contracts and agreements, and liaises with the Department of Justice and Office of the Attorney General on litigation, legislative and other major initiatives.

The **Economic Analysis and Trade Policy Branch** is 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.

Highlights

- ◆ The branch published (on-line) Sectors in Review Reports for Mining and Energy, as well as the New Brunswick Energy and Natural Resources Export Highlights, all for 2018.
- ◆ The branch also provided updates, input and analysis on various trade issues, including trade agreements.

Corporate Services Division

The Corporate Services Division provides direction and support in matters of human resources, financial services, information and technology, and facilities management. The division is also responsible for the management of the province's Crown land resources and various leasing and licensing functions.

The division consists of the **Financial Services Branch**, the **Human Resource Services Branch**, the **Information Systems and Departmental Services Branch**, and the **Crown Lands Leasing and Licensing 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

- ◆ The branch supported a change to the *Fiscal and Economic Update* published quarterly by the Department of Finance and Treasury Board. This change in reporting is a new way of providing

up-to-date financial results to New Brunswickers by providing quarterly actuals in addition to the regular year-end projected results.

- ◆ The branch reviewed departmental data to assist with the transition to the Enterprise Resource Planning system (ERP).

The **Human Resource Services Branch** is responsible for providing all human resource management services, including recruitment and retention, classification, labour relations, human resource policies, employee engagement, organizational development, succession planning and administration of programs such as health and safety.

Highlights

- ◆ The branch continued to provide effective and consistent human resource management to both the Department of Natural Resources and Energy Development and the Department of Agriculture, Aquaculture and Fisheries.
- ◆ The branch coordinated numerous health and safety and employee experience initiatives.

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

- ◆ The Geographic Information Services section developed several web and mobile applications to improve communications with the public as well as improve decision-making by department staff. This includes applications for collecting information about the state of the forest and for planning the deployment of forest fire aircraft to combat forest fires within the province.

The **Crown Lands/Leasing and Licensing 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 purchases, sales and exchanges or leasing. The branch also administers recreational ATV and snowmobile trail maintenance programs.

Highlights

- ◆ 216 applications for Crown land were received and processed.
- ◆ 263 leases (renewals and new) and 90 licences of occupation for Crown land were issued.

Financial information

Expenditures in detail 2019-2020 (\$)

Ordinary Program	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Administration	7,931,000	67,300	7,998,300	6,988,500	(1,009,800)
Natural Resources	79,063,000	1,409,600	80,472,600	80,695,100	222,500
Energy and Mines	5,853,000	474,300	6,327,300	5,849,200	(478,100)
Land Management	3,724,000	51,300	3,775,300	3,618,000	(157,300)
Total 2019-2020	96,571,000	2,002,500	98,573,500	97,150,800	(1,422,700)
Capital Program	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Caribou Mine Drainage Improvement	325,000	–	325,000	–	(325,000)
Musquash Watershed Infrastructure	4,000,000	–	4,000,000	145,400	(3,854,600)
Sentier NB Trail infrastructure	750,000	–	750,000	826,500	76,500
Land Purchase	1,500,000	–	1,500,000	–	(1,500,000)
Total 2019-2020	6,575,000	–	6,575,000	971,900	(5,603,100)
Special Purpose Program	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Wildlife Trust Fund	1,700,000	–	1,700,000	1,521,900	(178,100)
Recoverable Projects	200,000	–	200,000	2,706,800	2,506,800
Trail Management Trust Fund	1,400,000	–	1,400,000	1,730,800	330,800
Total 2019-2020	3,300,000	–	3,300,000	5,959,500	2,659,500

Revenues in detail 2019-2020 (\$)

Revenue	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Return on Investment	126,000	–	126,000	308,300	182,300
Licences and Permits	6,272,000	–	6,272,000	6,013,900	(258,100)
Sales of Goods and Services	4,055,000	–	4,055,000	5,797,100	1,742,100
Royalties	69,730,000	–	69,730,000	71,857,100	2,127,100
Fines and Penalties	239,000	–	239,000	320,800	81,800
Miscellaneous	20,000	–	20,000	85,700	65,700
Total 2019-2020	80,442,000	–	80,442,000	84,382,900	3,940,900
Capital Accounts	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Capital Recoveries – own source	40,000	–	40,000	26,900	(13,100)
Total 2019-2020	40,000	–	40,000	26,900	(13,100)
Special Purpose Accounts	Main Estimates	Appropriation Transfers	Final Budget	Actual	Difference
Conditional Grants - Canada	200,000	–	200,000	2,706,800	2,506,800
Return on Investment	39,000	–	39,000	37,900	(1,100)
Licences and Permits	3,103,000	–	3,103,000	3,330,300	227,300
Sales of Goods and Services	5,000	–	5,000	–	(5,000)
Miscellaneous	–	–	–	4,800	4,800
Total 2019-2020	3,347,000	–	3,347,000	6,079,800	2,732,800

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Deputy Minister of the Department of Human Resources delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2019-2020 for the Department of Natural Resources and Energy Development.

Number of permanent and temporary employees as of Dec. 31 of each year		
Employee type	2019	2018
Permanent	548	550
Temporary	62	74
TOTAL	610	624

The department advertised 33 competitions, including 10 open (public) competitions and 23 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 Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities.	16(1)(a)	1
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)	0
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school boards) and 3 (hospital corporations) of the Public Service.	16(1) or 16(1)(c)	11
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
26	<i>An Act to Amend the Quarriable Substances Act</i> https://www1.gnb.ca/legis/bill/editform-e.asp?ID=1422&legi=59&num=2	June 14, 2019	An amendment was made to the Act to have a peat exploration licence valid for two years from the date the licence was granted.
19	<i>An Act to Amend the Fish and Wildlife Act</i> https://www1.gnb.ca/legis/bill/editform-e.asp?ID=1458&legi=59&num=3	March 17, 2020	Amendments were made to the Act to extend the period of hunting on Sunday to include all Sundays falling between October 14th and December 31st, inclusively.

Name of regulation	Effective date	Summary of changes
Amendments to the Moose Hunting Regulation (94-47) under the <i>Fish and Wildlife Act</i>	May 9, 2019	Amended to: 1. Increase the number of ballots per applicant that have not been drawn for 20 or more years in the random computerized resident moose draw; and 2. Add criteria that proof of proper training or previous hunting experience is required before applying to the resident moose draw.
Amendments to the Prohibition Against Hydraulic Fracturing Regulation (2015-28) under the <i>Oil and Natural Gas Act</i>	June 6, 2019	Amended to provide an area-based exemption to allow hydraulic fracturing for any lessee whose lease includes a lease area, in whole or in part, that is located in the sections identified by the numbers 25 to 79 of grid area 2425 in the New Brunswick Standard Oil and Natural Gas Grid Map as set forth in Schedule A of New Brunswick Regulation 86-190 under the Act.
Amendments to the Fur Harvesting Regulation (84-124) under the <i>Fish and Wildlife Act</i>	June 18, 2019	Amended to: 1. Add bobcats to the list of fur-bearing species that must be trapped with certified traps; and 2. Update the lists of certified traps to include the models approved for bobcats, and to add models that have been approved for other species.
Amendments to the Moose Hunting Regulation (94-47) under the <i>Fish and Wildlife Act</i>	September 11, 2019	Amended to change the eligibility requirements for applicants to the guide and outfitter draw to provide greater opportunity for businesses with a significant stake in the industry.
Amendment to the Electricity from Renewable Resources Regulation (2015-60) under the <i>Electricity Act</i>	December 31, 2019	Amended to remove the five-year term requirement for renewable electricity purchased from outside the province so that longer-term purchases could be facilitated.
Amendments to the Establishment of Protected Natural Areas (2003-8) under the <i>Protected Natural Areas Act</i>	March 13, 2020	Amended the Establishment of Protected Natural Areas Regulation to: 1. Replace sketches of 15 PNAs on Crown lands and one PNA on private land with legal survey plans, 2. Replace sketches of three PNAs on Crown lands (Shinnickburn, Goose Lake, Loch Alva PNAs) and one private land PNA (Johnson's Mills PNA) with more accurate sketches. These four maps inadvertently included additional private lands when the sites were designated. The amendment corrected this mapping error.

Name of regulation	Effective date	Summary of changes
Amendments to the Fur Harvesting Regulation (84-124) and the Hunting Regulation (84-133) under the <i>Fish and Wildlife Act</i>	March 13, 2020	<p>Amended the Fur Harvesting Regulation to remove the inconsistency between the English and French so that both the English and French text limit the number of hounds used to hunt bobcat or fox to a maximum of three.</p> <p>Amended the Hunting Regulation to remove the restriction on the breed of dogs permitted to be used when hunting rabbits; to address inconsistencies related to: whether a permit is required to hunt rabbits with the assistance of a dog; the age at which a licence holder is allowed to hunt rabbits with the assistance of a dog; and the number of hounds that can be used to hunt fox or bobcat.</p>
Amendment to the General Regulation (86-98) under the <i>Mining Act</i>	March 13, 2020	Amended to establish a royalty structure of \$0.25 per tonne for the mining of gypsum in New Brunswick.

The acts for which the department was responsible in 2019-2020 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 has continued to work on its Official Languages action plan, which includes the four sectors of activity as identified in the *Plan on Official Languages – Official Bilingualism: A Fundamental Value*. The following outlines the actions taken during 2019-2020 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	
2019 Volume 3 Chapter 7 Contaminated Sites https://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2019V3/Chap7e.pdf	2	
Implemented Recommendations	Actions Taken	
7.22 - We recommend the Department of Natural Resources and Energy Development obtain up-to-date engineering reports in advance of the next provincial audit to support contaminated site liabilities. We recommend the reports subsequently be obtained at least every five years or earlier, if conditions indicate an updated report is needed.	Implemented. The Department obtained up-to-date engineering reports in advance of the provincial audit to support contaminated site liabilities and will be submitting reports subsequently at least every five years or earlier, if conditions indicate an updated report is needed.	
7.30 - We recommend the Department of Natural Resources and Energy Development obtain and maintain up-to-date proof of insurance or financial security as collateral for all property it leases to third parties.	Implemented. The Department obtained and will maintain up-to-date proof of insurance or financial security as collateral for all property it leases to third parties.	

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	Adopted
2015 Volume 2 Chapter 3 Silviculture -To determine if the Department of Natural Resources is meeting its responsibilities respecting timber supply from private woodlots. http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V2/Chap3e.pdf	21	21
2015 Volume 2 Chapter 4 Private Wood Supply -To determine if the New Brunswick Forest Products Commission provides adequate oversight of Forest Products Marketing Boards http://www.agnb-vgnb.ca/content/dam/agnb-vgnb/pdf/Reports-Rapports/2015V2/Chap4e.pdf	19	19

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 2019-2020 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)
2019-2020	16,400,000	276	2,295	2,916
2018-2019	15,900,000	68	2,106	2,816
2017-2018	18,700,000	922	2,107	2,967

Crown silviculture by year (ha)

Year	Planting-related activities		Pre-commercial thinning
	Tree planting	Plantation tending	
2019-2020	11,056	14,324	14,174
2018-2019	10,402	14,849	15,069
2017-2018	10,268	15,841	14,187

Private land silviculture by year (ha)

Year	Planting-related activities			Pre-commercial thinning
	Site preparation	Tree planting	Plantation tending	
2019-2020	1,210	1,328	914	2,668
2018-2019	914	931	868	2,830*
2017-2018	534	920	1,132**	3,430**

* Updated from the 2018-2019 report

** Updated from the 2017-2018 and 2018-2019 reports

Appendix B: Crown Harvesting

Forest products harvested from Crown lands (m3)

Year	Species Group	Licenses and Sub- Licenses	First Nations	Special Permits	Total
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	
2017-2018	Softwood	3,303,308	202,570	9,374	5,439,214
	Hardwood	1,838,538	41,808	43,616	

Appendix C: Fire

Area destroyed by fire in hectares (ha) 2019, 2018, 2017

Region		1	2	3	4	Total
2019	Fires	49	26	85	22	182
	ha	35.5	37.9	145.1	9.2	227.7
2018	Fires	77	78	104	26	285
	ha	43	154	98	17	312
2017	Fires	75	46	110	14	245
	ha	62	27	463	16	568

10-year average: 158 fires, 197.3 ha

2018 fires by cause

Cause (2019 only)	Number	Ha
Human/Industry	152 (83%)	183.6 (81%)
Lightning	14 (8%)	14.1 (6%)
Unknown	16 (9%)	30 (13%)

Appendix D: Fish and Wildlife

Hunting licences issued

Licence type	Deer	Moose*	Bear	Small game	Varmint	Minors**
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
Resident	45,443	4,564	4,878	11,369	10,280	1,133
Designated Hunter	-	3,449	-	-	-	-
Non-Resident	335	98	2,186	469	20	-
Total 2017	45,778	8,111	7,064	11,838	10,300	1,133

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

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

Angling licences issued

Species	2019	2018	2017
Atlantic Salmon	11,381	12,054	13,000
Other species *	48,839	50,146	53,885
Total	60,220	62,200	66,885

* Includes ice fishing licence sales.

Details of licences issued, 2019

Angling	Resident	Non-resident
Salmon	8,727	2,654
Trout, etc.	44,179	3,400
Ice Fishing	1,180	80
Crown Reserve*	Residents only	
Miramichi	868	
Restigouche	422	
Patapedia	26	

* Regular stretches only.