

Department of Natural Resources



**Strategic Plan
2011-14**

Report prepared by:

Department of Natural Resources
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Message from the Minister



Speaker of the House of Assembly

Dear Mr. Speaker:

In accordance with my responsibilities under the *Transparency and Accountability Act*, I present a strategic plan for the Department of Natural Resources covering the period April 1, 2011 to March 31, 2014.

The Department of Natural Resources is a category one public body and this strategic plan was prepared in accordance with the applicable guidelines. The plan has separate sections for the Mines and Energy Branches and the Forestry and Agrifoods Agency. Each section outlines how the department will address the strategic directions of government applicable to each area in accordance with my mandate as the responsible minister.

I look forward to working with departmental employees, as well as other partners in natural resource development in the province, to implement this strategic plan. My signature below attests to my accountability for the preparation of this plan and the achievement of the specific goals and objectives identified.

Sincerely,

A handwritten signature in blue ink that reads "Shawn Skinner". The signature is fluid and cursive, with a long horizontal stroke at the end.

SHAWN SKINNER
Minister



Department of Natural Resources

Plan Overview

The Department

A key part of the Provincial Government's overall economic strategy is to maximize the socio-economic opportunities that arise from the development of natural resources, while maintaining sound stewardship of the resource base. Toward this end, the Department of Natural Resources is responsible for regulating and encouraging sustainable development of the province's natural resources¹, namely minerals, energy (oil, gas, hydro, wind, biofuels), forest assets and agriculture/agrifoods resources.

The Department of Natural Resources was established under the *Executive Council Act* and is a category one government entity under the *Transparency and Accountability Act*. To carry out its duties, the department is divided into two main areas of operation: the Mines and Energy Branches, commonly referred to as "the department", and the Forestry and Agrifoods Agency, commonly referred to as "the agency". These two areas share a number of central functions and collaborate on select initiatives but, otherwise, operate independently of one another, each offering a distinct set of programs and services for their respective natural resource sectors. As a result, this strategic plan is divided into two "sub-plans" setting out separate missions as well as a separate set of goals and objectives for the Mines and Energy Branches and the Forestry and Agrifoods Agency. The highlights of both plans are provided below.

Vision

Although each section of the department is quite distinct, they share common, long-term aspirations. These aspirations are reflected in the department's unifying vision statement:

The vision of the Department of Natural Resources is a province that realizes the full benefit from the sustainable development of its natural resources.

¹ Fisheries resources are the responsibility of the Department of Fisheries and Aquaculture; wildlife resources are the responsibility of the Department of Environment and Conservation.



Department of Natural Resources

Mines and Energy Plan Highlights

Mission

By March 31, 2017, the Department of Natural Resources will have supported the growth of the energy and mineral resource industries in a sustainable manner for the benefit of future generations.

Goals

By March 31, 2014 the Department of Natural Resources will have advanced the province's ability to compete in the mines and energy sectors.

By March 31, 2014 the Department of Natural Resources will have implemented enhanced sustainable development practices in the mineral and energy sectors.

By March 31, 2014 the Department of Natural Resources will have enhanced legislation and/or policy necessary to advance renewable energy in the province.

By March 31, 2014 the Department of Natural Resources will have advanced outreach practices to support industry growth.



Department of Natural Resources

Forestry and Agrifoods Plan Highlights

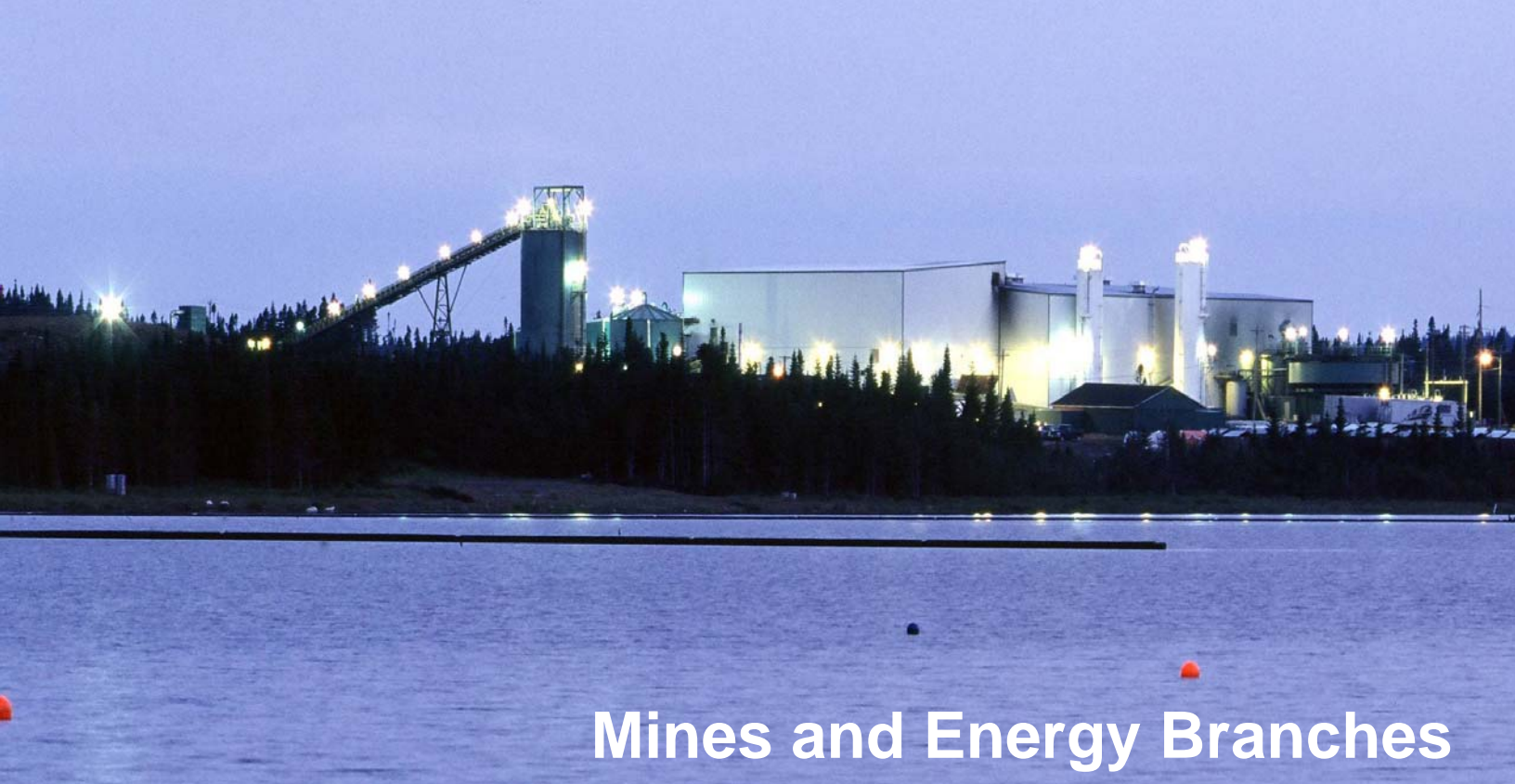
Mission

By March 31, 2017, the Forestry and Agrifoods Agency will have supported programs and services to strengthen and sustain forestry, agriculture and agrifoods industry development in an innovative and economically beneficial manner.

Goals

By March 31, 2014, the Forestry and Agrifoods Agency will have implemented measures to advance forestry, agriculture and agrifoods industry sustainability in the province.

By March 31, 2014, the Forestry and Agrifoods Agency will have supported the expansion and promotion of the forestry, agriculture and agrifoods industries through innovative initiatives.



Mines and Energy Branches





Mines and Energy

Introduction

The Department of Natural Resources through the Mines and Energy Branches (the department) has responsibility for legislative, regulatory and policy functions related to the mining, oil and gas and electrical utility sectors. The mines and energy sectors are key contributors to the province's Gross Domestic Product (GDP), employment and overall economic growth. In carrying out its duties, the department strives to responsibly manage mineral and energy resources so as to maximize their economic value for the ultimate benefit of the people of the province.

Mining

The mining sector is a significant contributor to the provincial economy and in 2009, accounted for approximately 6.7 per cent, or about \$1.57 billion, of nominal GDP in Newfoundland and Labrador and 1.7 per cent of provincial employment². The province is Canada's main producer of iron ore and its second-highest producer of nickel.

The forecasted Gross Value of Mineral Shipments (GVMS) of \$4.7 billion for 2011 is substantially higher than the \$3.7 billion in 2010. This is mostly due to the projected increase in shipments and prices of iron ore from western Labrador. Increased shipments will result from expansion and upgrades at existing iron ore operations and the anticipated opening of the Labrador Iron Mines operation in 2011. The increase will also be driven by operations at the Voisey's Bay nickel mine, also in Labrador, which have returned to normal upon resolution of a labour dispute. The planned reactivation of the Ming Mine by Rambler Metals and Mining, and a general increase in commodity prices, are also contributing factors. A shipment value of \$4.7 billion would be the highest GVMS on record in nominal Canadian dollars and the first time above \$4 billion.

In 2004 the value of mineral shipments from this province stood at just \$684 million. As shown in Figure 1, from 2004 to 2011 there is a clear positive trend in the value of mineral shipments, apart from 2009 when prices dropped sharply. Over this period a commodity demand boom resulted in an increase in prices attained for most commodities world-wide. This, coupled with a corresponding string of mine openings and expansions, resulted in an increase in mineral wealth. Several projects are currently in the development stage, and this bodes well for the future of mining in Newfoundland and Labrador.

² The Economy, 2011.



Mines and Energy

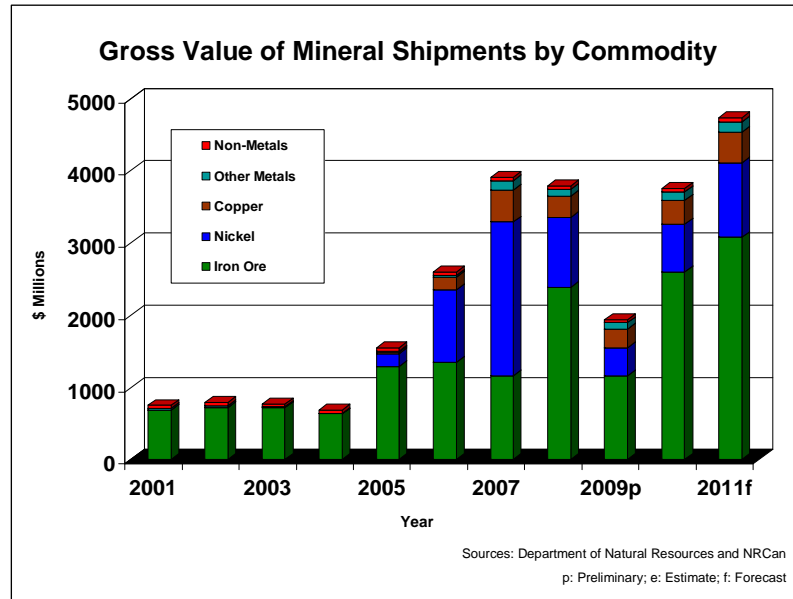


Figure 1 – Gross Value of Mineral Shipments

Energy

Newfoundland and Labrador is an established, significant and growing net energy producer. Few jurisdictions in North America can match the combined value of the province's energy resources, which include oil, gas, hydroelectricity, wind and other sources.

The province's oil and gas resources include discovered reserves of 3.1 billion barrels of oil and 11 trillion cubic feet of natural gas. The potential for further discoveries exists within its onshore and offshore basins as undiscovered resources are estimated to total 6 billion barrels of oil and 60 trillion cubic feet of natural gas.

The oil and gas industry has become an increasingly important part of Newfoundland and Labrador's economy since production began at the Hibernia oil field in 1997. Provincial real GDP has grown by nearly 52 per cent in the last two decades, with over



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half of the growth attributed directly to the oil industry³. In 2009, oil extraction and support activities accounted for 27.5 per cent, or \$6.4 billion, of nominal GDP and 2.4 per cent of provincial employment. In 2009-10, provincial revenues⁴ totaled just over \$6.0 billion, of which approximately 36 per cent was attributed to oil royalties (refer to Figure 2).

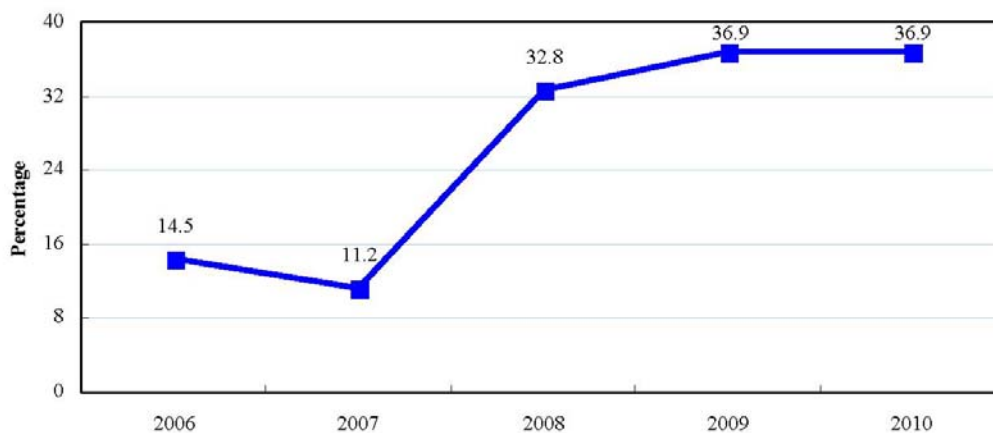


Figure 2 – Offshore Royalties as a Percentage of Provincial Revenues

Newfoundland and Labrador currently produces about 35 per cent of Canada's conventional light crude oil and the province's three large-scale oil producing projects have produced more than one billion barrels of oil since Hibernia first came on-stream. In 2010, the province's offshore region produced an average of over 275,000 barrels of oil per day. The existing Hibernia, Terra Nova, White Rose and North Amethyst oil fields will soon be joined by a fifth field – Hebron – in the offshore region. The Hebron development is scheduled to enter the construction phase in 2012.

In addition to oil and gas, the province is home to large stores of clean, renewable hydro and wind energy. The generating capacity of the Upper Churchill hydroelectric facility in Labrador is 5,428 megawatts (MW), with the bulk of production going to export markets. Newfoundland and Labrador Hydro (Hydro) operates the 604 MW Bay d'Espoir hydro plant and numerous smaller hydro facilities. The province is also home to the most

³ The Economy, 2011.

⁴ Public Accounts Volume I, Consolidated Summary Financial Statements, for the Year Ended March 31, 2010



Mines and Energy

attractive undeveloped hydro project in North America on the lower part of the Churchill River and is making great strides towards the development of this project. In November 2010, Nalcor Energy, the province's energy corporation, signed a partnership agreement with Emera Inc. of Nova Scotia for the development of Muskrat Falls, which will make up Phase I of the project. The province continues to work towards development of Phase II of the project, to take place at Gull Island, for a total Lower Churchill generation capacity of 3,074 MW.



Mines and Energy

Overview of Mines and Energy

The Department of Natural Resources was established under the *Executive Council Act* and is a category one government entity under the *Transparency and Accountability Act*. The department's responsibilities for natural resource development in the mining and energy sectors are executed by staff in two branches, the Mines Branch and the Energy Branch.

Mines Branch

The Mines Branch is divided into three main divisions:

The **Mineral Development Division** is responsible for the approval and permitting of mining operations through the *Mining Act*; the administration of the Mineral Incentive Program; the collection, analysis and publication of mineral production data; and the assessment and rehabilitation of abandoned mine sites across the province.

The **Mineral Lands Division** is responsible for the administration of mineral land tenure through the *Mineral Act* and the *Mineral Holdings Impost Act*, that includes the issuance of exploration licenses and production leases; the administration of quarry material rights and developments through the *Quarry Materials Act*; the issuance of exploration approvals and follow-up inspections; and the maintenance of the core library system.

The **Geological Survey Division** is responsible for mapping and interpreting the province's bedrock geology and surficial material; conducting geochemical and geophysical surveys; conducting mineral deposit studies; maintaining and publishing maps, reports and databases concerning the geological and mineral endowment, including Geographic Information System (GIS) based databases and web-delivery; and promoting the province's mineral exploration potential.



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Energy Branch

The Energy Branch is divided into three main sections, each made up of several divisions.

The **Petroleum Development Section** is responsible for fostering the exploration, development and production of the province's hydrocarbon resources and provides geological, geophysical, engineering, and regulatory services. Responsibilities include:

- The provision of technical services in the areas of petroleum geoscience, petroleum engineering and petroleum operations to facilitate sustainable development and management of petroleum resources both onshore and offshore; and,
- The provision of marketing and promotional services, both nationally and internationally, to foster the exploration, development and production of the province's hydrocarbon resources.

The **Royalties and Benefits Section** is responsible for maximizing the benefits to the local economy from the development of major resource projects. Responsibilities include:

- The maximization of fiscal benefits to the province from petroleum resource development through the negotiation, development, administration and monitoring of project agreements and legislation;
- The auditing of project costs and revenues to verify the accuracy of royalties paid to the province;
- The provision of energy-related economic/financial and supply/demand information review, analysis and advice to inform resource management decisions; and,
- The maximization of industrial benefits to the local economy from the development of major mining and energy projects through negotiation of benefits commitments, benefits monitoring and international promotion of the province's industrial capacity and capabilities.

The **Energy Policy Section** is responsible for developing, planning and coordinating policy matters relating to the province's energy sector. Responsibilities include:

- The management/co-management of onshore and offshore petroleum exploration and development and regulatory compliance and development;



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- Electricity industry governance and structure, electricity industry markets, alternative energy, and responsibility for the *Electrical Power Control Act*;
- The provision of technical, economic, analytical and program design expertise to government to enable informed decisions on matters relating to energy efficiency;
- The design and/or delivery of specific energy efficiency programs and services; and,
- General policy, planning and coordination in the energy sector, including a lead role in the implementation of the province's Energy Plan.

Employees

As of March 31, 2011, the Department of Natural Resources' Mines and Energy Branches had 192 staff members.

Branch	Female	Male	Total
Mines	29	60	89
Energy	28	30	58
Financial Operations ¹	10	7	17
Executive Support ²	17	11	28
Total³	84	108	192

1. Financial Operations staff are shared with the Forestry and Agrifoods Agency and the Department of Fisheries and Aquaculture.
2. A number of employees in Executive Support are shared with the Forestry and Agrifoods Agency.
3. Excludes vacant positions and contractual arrangements; also excludes seven employees with the Public Service Secretariat shared with other areas of government.

Physical Location and Web Site

The department's main office is located in the Natural Resources Building at 50 Elizabeth Avenue, St. John's, Newfoundland and Labrador. The mailing address is as follows:

Department of Natural Resources
 P.O. Box 8700
 St. John's, NL, A1B 4J6



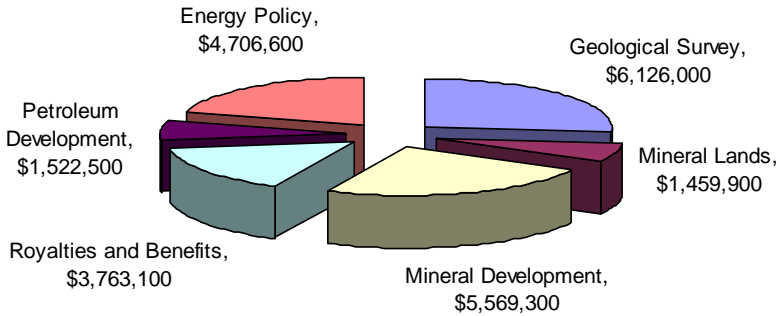
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The Department of Natural Resources web site address is www.gov.nl.ca/nr. A link to the department's web site is also provided in the main web site for the Government of Newfoundland and Labrador at www.gov.nl.ca.

Budget

The budget for the Mines and Energy Branches for fiscal year 2011-12 is \$386.5 million. This figure does not include \$5.7 million related to executive and support services that will be shared with the Forestry and Agrifoods Agency. The chart below illustrates budgeted amounts for the divisions of the Mines Branch as well as the three sections of the Energy Branch. In addition to these amounts, the Energy Branch budget includes \$13.4 million for initiatives associated with Energy Plan implementation, as well as a \$348 million allocation to Nalcor Energy and its subsidiaries to facilitate participation in oil and gas activities and other energy projects. Budgeted amounts also include a net amount of \$1.9 million that the department will contribute toward the operating and capital costs of the Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB).

2011-12 Budget by Section/Division





Mines and Energy

Mandate

The mandate of the Mines and Energy Branches includes supervision, control and direction of all matters relating to promotion, exploration and development of mineral and energy resources and related industry developments including:

- Mines, minerals, quarries, and quarry materials;
- Onshore petroleum resources;
- Offshore petroleum resources, managed jointly with the federal government;
- Electrical generation and transmission;
- Overall responsibility for provincial energy supply and demand;
- Development, monitoring, supervision, assistance or other government intervention into any of the industries as described above;
- Petroleum royalties and associated matters, within or outside the province; and,
- Identifying, assessing and monitoring industrial benefits commitments from major resource development projects.

For a complete list of all legislative responsibilities that inform the departmental mandate, please refer to Appendix ME-II and/or the House of Assembly website at www.assembly.nl.ca.

Lines of Business

Resource Policy

Working closely with key stakeholders, the department develops resource policy, and coordinates and facilitates sustainable development and management. In doing so, the department directly and indirectly develops, monitors and/or initiates supporting regulatory and benefits optimization activities.

Resource Management

In the onshore area of the province, the department ensures industries follow appropriate resource management practices and comply with mines and energy regulations. The department facilitates well-planned, responsible resource management



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activities and is responsible for monitoring almost all aspects of these activities. Mineral and petroleum resource management activities also include title allocation, administration and ensuring compliance with site development and rehabilitation requirements⁵.

In the offshore area, the department discharges its operational management and administration functions for offshore petroleum activity under a joint federal-provincial regime administered by the C-NLOPB.

In the electricity resource area, involvement in resource management is indirect and implemented through the Board of Commissioners of Public Utilities and Hydro, a subsidiary of Nalcor Energy.

The department is also responsible for petroleum royalty regime development and the administration of onshore and offshore petroleum royalties.

Resource Exploration and Assessment

This line of business includes several activities that precede resource development, including the gathering, interpretation and dissemination of geoscience data and the provision of exploration incentives. The activities of the department in this area are designed to support and encourage exploration, investment decisions, permitting and development opportunities.

Promotion and Facilitation of Resource Development

Resource development builds on exploration and resource assessment. Resource development projects generally tend to be long term and capital intensive and, as such, generate significant economic and employment benefits. These projects can be important catalysts of growth, particularly for rural areas, as well as for the development of industrial infrastructure and the province's supply and service capabilities. Activities are specifically directed to negotiating, promoting and facilitating well-planned, responsible mineral and energy development and associated business and employment opportunities.

⁵ A number of onshore resource management activities are carried out by the Department of Environment and Conservation (e.g., monitoring compliance with environmental regulations and land use management, etc.) and the Department of Government Services (e.g., monitoring compliance with occupational health and safety regulations).



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Primary Clients

The department is, ultimately, accountable to the residents of the province. Other primary clients include:

- Exploration and resource development companies;
- Electrical generation and supply distribution companies;
- Industrial and residential electricity customers;
- Supply and service companies in the resource and electricity sector; and,
- Other provincial government departments, crown corporations and agencies.

Values

Professionalism	Each individual demonstrates high professional standards and positive attitudes, and delivers quality service in an objective, timely and responsive manner.
Innovation	Each individual demonstrates initiative, creativity and flexibility in responding to challenges and change.
Safety	Each individual holds the personal safety of themselves and co-workers in the highest regard and will promote workplace safety at all times.
Diversity	Each individual encourages an open exchange about ideas and decisions, and welcomes the varied opinions that contribute to new creative ideas and the development of comprehensive programs and services.
Leadership	Each individual takes every opportunity to successfully integrate and use available resources within the department for the attainment of organizational goals.
Collaboration	Each individual is open to sharing their knowledge with others and actively seeks the opinions and ideas of others to achieve the desired results.



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Vision

A vision statement describes the ideal state an organization is striving to achieve in the long term. The vision of the Department of Natural Resources is:

“A province that realizes the full benefit from the sustainable development of its natural resources.”



Mines and Energy

Strategic Directions

Appendix ME-I presents the strategic directions of the government in the natural resource areas of mines and energy. In the development of this strategic plan, the department used these directions as guideposts in the development of its mission as well as the goals and objectives it has chosen to focus on in the coming years. The section below identifies how the strategic directions are reflected in the various elements of the department's strategic plan.

Strategic Direction: Resource Exploration and Development

Continued and, preferably, increased resource exploration and development is critical in order to sustain economic benefits to the province associated with the mines and energy sectors. The department's mission is focused on supporting the growth of these sectors. This will be achieved, in part, by encouraging increased exploration activity and by promoting resource sector opportunities. In addition, the department has selected *Market Attraction and Exploration* as Goal 1. The objectives and indicators under this goal area are all focused on encouraging increased mineral and petroleum exploration in the province. This will be achieved through efforts to support the acquisition and availability of new geoscience data, promote the province nationally and internationally as an ideal place to explore and develop, devise new strategies to encourage exploration by industry and optimize departmental policies and programs to support exploration activities. A significant initiative already underway that will touch on all of these points, and others, will be the completion of a Minerals Strategy for the province to complement the provincial Energy Plan released in 2007.

Strategic Direction: Responsible Resource Development

As a strategic direction, responsible resource development refers to the development of clean, renewable energy through the Lower Churchill Project and the pursuit of activities that support Social License⁶ through adequate stakeholder consultation. One of the commitments under the department's mission is focused on the advancement of the electrical industry structure and regulatory framework for the province. The primary

⁶ Social License can be defined as a level of acceptance granted by the community, including Aboriginal groups. It is rooted in the beliefs, perceptions and opinions held by the local population and other stakeholders about a project.



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purpose for this is to ensure those elements are in place to allow for the marketing, sale and distribution of the power that will be generated from the Lower Churchill Project. In addition, the department has selected *Renewable Energy* as Goal 3. The objectives and indicators under this goal area are focused on advancing renewable energy in the province, with significant focus on elements required for the Lower Churchill Project.

In terms of Social License, the department has identified *Outreach for Growth* as Goal 4. This goal focuses, in part, on sharing information with the public and stakeholder groups about the mines and energy sectors as a whole, as well as specific projects/ initiatives of special interest to communities. Goal 4 includes further development of community consultation frameworks which will assist the department in conducting future consultations with communities and other groups regarding mines and energy projects and/or issues.

Strategic Direction: Strategic Resource Development

This direction is focused on the maximization of benefits to the province through the strategic development of mineral and energy resources. In its commitment to support industry growth, the department's mission includes elements dedicated to increased monitoring of industry performance in areas such as employment, expenditures and education/training. Benefits agreements are in place with partners in major resource projects and the department will work to ensure benefits commitments are met. In addition, the mission includes a focus on increased opportunities to influence research and development (R&D) expenditures by industry participants. The department can add significant value to industry growth and development by informing industry partners of R&D areas that are likely to have the greatest long term economic benefit for the province.

Goal 2, *Sustainable Resource Development*, is heavily focused on benefits maximization with goal and objective indicators dedicated to efforts such as enhancing benefits capture and monitoring processes within the department and developing a gender equity and diversity policy. Goal 2 also includes support for the completion and initial implementation of the Energy Innovation Roadmap (the Roadmap) initiative which will identify the most promising areas for innovation in the province's energy sector. The department and industry will be able to use Roadmap findings to help inform decisions on future research and development expenditures in the province. It is anticipated that completion of the Minerals Strategy, also a focus area under Goal 2, will provide insight into research and development opportunities and benefits maximization as they apply to the minerals sector.



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Strategic Direction: Stable and Competitive Energy Supply

This strategic direction is focused primarily on alternative energies, electricity rates and the export of surplus energy. The department's strategic plan addresses these focus areas under Goal 3, *Renewable Energy*, which addresses initiatives related to the Lower Churchill Project as discussed above. Specific commitments include policy work on the development of wind and biofuels as alternative sources of energy, as well as the investigation of alternative energy solutions for remote Labrador coastal communities, now reliant on diesel power generation. Also included is the development of a Labrador industrial electricity rate policy and legislative and/or policy work required for connection to the North American power grid.



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Mission

An organization's mission represents its primary focus, the ultimate target that will guide all of its operations and decisions for the foreseeable future. In more specific terms, the department's mission statement identifies the key longer term result that the minister and the department will be working toward over the next six years (two planning cycles), in line with the strategic directions of government.

Successful development of the natural resources sectors within the province is dependent on a number of factors. While some are outside the control of government, the department has a critical role to play in attracting private investment to assist in developing these resources and maximizing benefits for the people of the province. The department is now taking more control over the development of these resources and the benefits they generate. Over the next six years, the department will continue to focus on growth, sustainability and overall management of the mines and energy sectors.

Critical to industry growth is the identification and promotion of resource potential. The department will continue to encourage increased mineral and petroleum exploration and development activities, primarily through increased collection and promotion of geoscience data, as well as promotion of the province as a desirable exploration and development region.

Sustainable resource development involves ensuring that our resource development activities benefit the economy for future generations while mitigating the environmental impact of these activities. The department will ensure long-term benefits to the people of the province through effective benefit negotiation and monitoring, and a strong commitment to gender and diversity so that underrepresented groups also benefit from these projects. We will continue to support environmentally responsible development of alternative energy models, most significantly hydro development through the Lower Churchill Project. The department will also continue with ongoing remediation of former orphaned and abandoned development sites in the province.

Responsible resource management requires a policy and legislative structure that facilitates resource exploration and development activity while also allowing the province to control the pace of development and the benefits received by the province and its people from our resources. As the mineral and energy industries grow and change, the department will continue to identify options for, and work to advance, policy and legislative environments with these factors in mind.



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Mission: By March 31, 2017, the Department of Natural Resources will have supported the growth of the energy and mineral resource industries in a sustainable manner for the benefit of future generations.

Measure: Supported growth of the energy and mineral resource industries

Indicators:

- Provided geoscience information and other supports to encourage increased mineral and energy exploration activity
- Increased promotion of our natural resources to increase global awareness of the province's resource opportunities
- Increased collaboration and communication in the advancement of exploration and development activities
- Continued assessment and development of natural gas royalty regime
- Established new offshore oil royalty regime
- Optimized regulatory, policy and program environments to enhance sustainability
- Increased monitoring of industry performance (e.g., employment, revenue, education and training, and R&D investment) to ensure benefits commitments are met
- Increased opportunity to influence R&D expenditures within petroleum and mineral industries
- Advanced environmental stewardship activities, including the monitoring of environmental compliance by industry
- Assessed alternative energy models for the province
- Advanced electrical industry structure and regulatory framework for the province



Mines and Energy

Strategic Issues

Issue 1: Market Attraction and Exploration

The mineral and petroleum sectors are significant contributors to Newfoundland and Labrador's economy. The revenues to the province from these sectors help enable the provincial government to invest in social and economic programs such as education, health care, and infrastructure maintenance and enhancement. Continued progress in these industries is key to ongoing social and economic development in the province.

Interest in the province's mines and energy sectors has steadily increased in recent years. There is renewed interest in offshore exploration with a successful Call for Bids in 2010 in the Flemish Pass/East Orphan Basin, a region that has traditionally been under-explored. There has also been heightened interest in mineral development, including new activity in western Labrador. Asian markets are particularly hungry for raw materials such as iron ore and companies from those regions have already taken notice of our province's mineral-rich and business-friendly environment.

Over 3 billion barrels of oil and 11 trillion cubic feet of natural gas have been discovered to date through exploration activities. To keep resource revenues flowing, new resource developments will need to come on stream. For that to happen, new, economically viable resources must be found. Newfoundland and Labrador possesses significant undiscovered and underdeveloped resources including an estimated 6 billion barrels of oil and 60 trillion cubic feet of natural gas. Similarly, the province's onshore geology is such that the likelihood of discovering new, profitable mineral deposits is high.

The petroleum and mineral development industries are global in scale. Companies operating in these industries assess potential exploration locations around the world based on a number of factors. Perhaps the most important of these is resource potential, i.e., the likelihood, based on scientific evidence, of finding a commercially viable petroleum reserve or mineral deposit. Exploration companies rely on existing geoscience data, along with associated analysis and modeling tools, to determine resource prospectivity of potential sites. The department places a focus on increasing the amount of geoscience data collected in the province and on making this information available to prospectors and exploration companies. At the same time, the department has also placed emphasis on global promotion of Newfoundland and Labrador as an attractive region for exploration.

Over the next three years, the department will maintain its focus in these areas in order



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to stimulate increased interest in the province as a place to explore. Potential investors around the world need to know about Newfoundland and Labrador as an exploration and development location and require enough information about potential resource deposits to invest exploration dollars in this jurisdiction. The department will continue to assess and develop strategies for continued exploration and development, and will collect, analyze and disseminate new geoscience data in order to promote the province as an important exploration region.

Goal 1

By March 31, 2014 the Department of Natural Resources will have advanced the province's ability to compete in the mines and energy sectors.

Measure: Advanced ability to compete

Indicators:

- Increased geoscience data collection and promotion through participation in initiatives such as the Petroleum Exploration Enhancement Program (PEEP) and Offshore Geoscience Data Program (OGDP)
- Increased activity by the department's Geological Survey Division
- Increased marketing of the province's mineral and energy resource opportunities
- Developed and implemented approved strategies to increase resource exploration
- Completed a Minerals Strategy for the department and initiated implementation of approved recommendations related to exploration
- Developed and implemented policy and program changes necessary to support resource exploration and development activities



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Objective 1

By March 31, 2012 the Department of Natural Resources will have enhanced policy frameworks for resource exploration and promotion, and increased geoscience data acquisition.

Measure: Enhanced policy frameworks for resource exploration and promotion, and increased geoscience data acquisition

Indicators:

- Developed strategies to increase oil and gas exploration including mechanisms to:
 - Increase geoscience data acquisition and availability
 - Participate in the implementation of planned PEEP and OGDG projects
- Enhanced capacity within the department for increased geoscience activity
- Increased activity to attract new entrants to the mineral and energy resource sectors
- Completed development of the Minerals Strategy

Objective 2

By March 31, 2013 the Department of Natural Resources will have initiated implementation of priority recommendations from strategy development.

Objective 3

By March 31, 2014 the Department of Natural Resources will have increased geoscience and promotional activity to advance the province's ability to compete in the mines and energy sectors.



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Issue 2: Sustainable Resource Development

Sustainable development within the province's petroleum and mineral sectors can be viewed as consisting of three primary components: maintaining exploration/development activities, responsible management of developments and remediation of environmental impacts associated with past developments.

Maintaining Exploration/Development Activities

A sustainable activity is one that has the capacity to be maintained indefinitely in a manner consistent with future use, enjoyment and development. In other words, a sustainable activity would be continuous in nature and would be conducted with future development needs in mind, in addition to the needs of today. Where petroleum and mineral resources are concerned, development activities will not, technically, be "indefinite" as these are finite, non-renewable resources. At some point in time, these resources will be depleted or will be too costly to produce economically. For the foreseeable future, however, these resources exist in quantities large enough to employ the concept of sustainable development.

Eventually, current resource developments and discoveries will need to be replaced through successful exploration. As identified in Issue 1, encouraging new exploration by existing players, as well as new entrants is, perhaps, the most important element in sustaining the province's petroleum and mining sectors. Also important, however, is ensuring that the province has competitive policy and regulatory frameworks in comparison with other jurisdictions. These frameworks need to be well-defined, clearly communicated and take a balanced approach toward development. Government must ensure that development is performed in a safe and environmentally responsible way that maximizes the yield from each resource project and that maximizes the benefits to the people of Newfoundland and Labrador. At the same time, however, it is important that the province's regulatory and policy environments do not deter resource development. Over the planning period, the department will focus on the development of a Minerals Strategy that will assess current policy, regulation and legislation associated with the mining sector and recommend changes, if necessary, to help move the industry forward. The department will also enhance policy used to guide gender equity and diversity benefits requirements, and monitoring, for major natural resource projects.



Mines and Energy

Responsible Management of Developments

Responsible management contributes to industry sustainability in a number of ways. First of all, it helps ensure that mineral and petroleum projects maximize production from existing deposits and reserves, thus extending project life to the greatest extent possible. It also helps ensure that economic, employment and related benefits accrue to the people and businesses of Newfoundland and Labrador. These types of benefits are important for financial gain but will also enable the province to continue attracting resource development projects, as well as compete for work internationally in the global resource sector, as a result of an experienced work force and established supply and service capability. Responsible management also helps ensure that projects are conducted properly in terms of safety and environmental practices, both of which are critical to maintaining healthy industries that are a benefit to both current and future generations.

The department manages development projects, primarily, through the administration of legislation and regulations designed to guide and govern mineral and petroleum development. In its role as administrator, the department monitors project activity and performance to ensure compliance with legislative and regulatory requirements, as well as contractual requirements specific to individual projects. In line with responsible management, the department also endeavors to work proactively with development companies to assist in interpreting and incorporating these requirements into operations early in the lifecycle of a project. The legislative, regulatory and contractual framework covers a range of issues including production methods to maximize resource yield; safety and environmental practices; royalty calculation and remittance mechanisms; and benefits practices in areas such as project employment, expenditures and gender/diversity commitments.

Adhering to production, safety and environmental practices has obvious benefits to the province, its people and environment, as does monitoring the practices companies use in paying royalties to the province. The area of benefits monitoring is less obvious but equally important in terms of moving the province forward economically and socially. In recent years, operators of major resource projects have been negotiating Benefits Agreements with the province before projects have been approved for development. A Benefits Agreement outlines specific commitments in the areas of provincial employment and project expenditures, including programming related to gender equity and diversity. Benefits requirements and programming are designed to develop the province's labour capacity and its supply and service capabilities.



Mines and Energy

In addition to benefit commitments in the areas of project employment and expenditures, companies participating in offshore oil and gas developments are also required, by legislation⁷ and benefits agreements, to contribute funds to R&D initiatives in the province. In line with responsible management, the department helps to inform companies of R&D initiatives that would assist in diversifying and expanding the province's resource sector. The Energy Innovation Roadmap, a strategy currently under development, will assist the department in these efforts. The Roadmap will identify the most attractive opportunities for using innovation to diversify the province's energy industry. In many cases, these opportunities will translate into meaningful focus areas for energy-related R&D in the province. The concept of the Roadmap was first introduced in the Energy Plan and the department has been participating in its development along with the Research Development Corporation and other partners. The Minerals Strategy will also provide valuable information on R&D and its role in sustaining the mineral development industry in the province. The strategy will identify potential R&D focus areas for the mineral sector as well as measures to help stimulate more R&D activity.

Over the planning period, the department will continue to monitor proposed and ongoing resource developments for compliance with benefits requirements and work with companies to help inform the compliance process. In doing so, the department will enhance efforts toward increased benefits capture from major resource projects with particular focus on improving labour capacity through gender and diversity requirements and monitoring. The department will contribute to the province's R&D environment through work on the Minerals Strategy as well as support for the completion and implementation of the Energy Innovation Roadmap. The department will also continue to work with companies to provide relevant information on R&D opportunities and facilities in the province.

Remediation of Environmental Impacts

Current legislation requires the province's mineral and petroleum exploration and development companies to leave resource development sites in good environmental condition once exploration and/or development activities have ceased. This has not always been the case and, in the past, some mining sites were abandoned by operators and left in unacceptable condition. The department is committed to performing rehabilitation work at such former mine sites, and has already completed work at a number of sites including Buchans, Rambler, Whalesback and Baie Verte. Over the planning period, the department will fund and manage additional rehabilitation efforts at abandoned mines in the province.

⁷ *Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act.*



Mines and Energy

Goal 2:

By March 31, 2014 the Department of Natural Resources will have implemented enhanced sustainable development practices in the mines and energy sectors.

Measure: Implemented enhanced sustainable development practices

Indicators:

- Enhanced benefits capture processes including the monitoring of direct and indirect benefits accruing to the province through the development of mineral and energy resources
- Enhanced policy capacity to support long-term sustainability of the mines and energy sectors including gender equity and diversity policy
- Supported completion and initial implementation of the Energy Innovation Road Map
- Completed Minerals Strategy and begun implementation of priority initiatives related to sustainable development
- Increased investment in the mitigation of orphaned and abandoned mines, thereby decreasing environmental and safety hazards
- Enhanced mechanisms to support environmental sustainability within our industries

Objective 1:

By March 31, 2012 the Department of Natural Resources will have enhanced sustainability policy structures within mines and energy.

Measure: Enhanced sustainability policy structures

Indicators:

- Developed a more comprehensive benefits framework policy for mineral and energy projects
- Developed departmental gender equity policy
- Developed priority components of Energy Innovation Road Maps



Mines and Energy

- Identified and drafted policy, capacity, legislation and regulation changes required by the Minerals Strategy
- Continued to address orphan/abandoned mines

Objective 2:

By March 31, 2013 the Department of Natural Resources will have implemented new policy directives in support of mineral and energy sector sustainability.

Objective 3:

By March 31, 2014 the Department of Natural Resources will have continued progress toward the long-term sustainability of the mineral and energy sectors.



Mines and Energy

Issue 3: Renewable Energy

Nations, organizations and individuals around the world are striving to reduce their green house gas emissions and, to do so, are seeking new sources of renewable, green energy. This increasing demand for renewable energy, coupled with the province's own energy needs contributed to the decision to develop the hydro assets of the lower Churchill River (Lower Churchill). The development of the Lower Churchill has been identified as the most stable, least-cost alternative in terms of energy supply for the future needs of the province.

The Lower Churchill Project represents the largest undeveloped hydro-electric project in North America and is a top priority for government. Nalcor Energy, as government's crown corporation responsible for energy, will play the lead role in the Lower Churchill Project, which will be broken into two major phases. In Phase I, generation facilities will be constructed at Muskrat Falls, a Labrador-island transmission link will be constructed, as well a Maritime link to transmit excess power for sale in eastern Canada and the United States. In Phase II, a second generation facility will be constructed at Gull Island with power being available for industrial development in Labrador and export to market in North America.

The Lower Churchill Project will bring many benefits to the province. When Phase I of the project is complete, the province will be much less reliant on the Holyrood generating station which is fired by fossil fuels. This will enable the province to significantly reduce green-house gas emissions and will also help stabilize the price of energy, which is currently influenced significantly by the upward trend of oil prices. Lower Churchill power will provide increased electrical capacity to industrial clients in Labrador enhancing opportunities for expansion in existing, as well as, new operations. Also, the construction of Lower Churchill generating facilities will bring significant employment and economic benefits. In 2010, the province released the Lower Churchill Construction Projects Benefits Strategy that outlines the procedures Nalcor, its contractor and subcontractors are to follow in terms of employment and procurement. As with all major projects in recent years, gender equity and diversity program components are included. The people of Newfoundland and Labrador will be the primary beneficiaries of the Lower Churchill Project with first consideration being given to members of Labrador's Innu Nation and then qualified residents of Labrador. Total direct, indirect and induced employment in the province is estimated to be 18,400 person years.⁸

⁸ Direct impacts are associated directly with the project including engineering and construction activities; indirect impacts are associated with materials, services and equipment purchased by the project; Induced impacts are those that occur in the services sector throughout the economy as direct and indirect income is spent. For more information refer to http://www.gov.nl.ca/lowerchurchillproject/backgrounder_4.htm.



Mines and Energy

Prior to connecting to the North American power grid and exporting surplus power from the Lower Churchill, certain legislative and regulatory frameworks must be put in place to regulate this activity. Legislative/regulatory matters of this nature are the responsibility of the department, with expertise and support provided by Nalcor. Over the planning period, the department will draft new legislation, regulations and/or policy required for the transmission and sale of Lower Churchill power and will support Nalcor, as required, to advance the Lower Churchill Project. During this period, efforts will be focused largely on the preparations necessary for Muskrat Falls power, however, work will progress in support of Gull Island power as well.

While the Lower Churchill project is the main focus among renewable energy initiatives, the department also continues to explore opportunities in other renewable energy areas. There are currently two wind developments in the province and policy work is required to determine if and/or how further development should take place. The province also possesses significant reserves of renewable fuels including resources such as wood pellets and bio-diesel. Over the planning period, the department will begin the development of a provincial policy regarding wind development, and will develop and start the implementation of a provincial policy on renewable fuel development.

In line with Energy Plan commitments, the department will focus efforts during the planning period toward enhancing the potential for increased renewable energy use in Labrador. An increased renewable energy supply, in the form of Lower Churchill power, will translate into increased renewable energy use, over time, by industry in Labrador as it continues to grow. Transmission infrastructure will need to be upgraded and expanded in the coming years to bring Lower Churchill power to these customers. Over the next three years, as Nalcor continues to address alternative energy options for small Labrador communities, the department will work towards a policy specific to Labrador issues which will include industrial and commercial electricity rates and infrastructure requirements.



Mines and Energy

Goal 3:

By March 31, 2014 the Department of Natural Resources will have enhanced legislation and/or policy necessary to advance renewable energy in the province.

Measure: Enhanced legislation and/or policy

Indicators:

- Initiated development of provincial wind policy
- Implemented policy, restructuring, and governance mechanisms necessary to advance the Lower Churchill Project
- Initiated implementation of biofuels policy

Objective 1:

By March 31, 2012 the Department of Natural Resources will have developed legislation and/or policy necessary to advance renewable energy priorities of the province.

Measure: Developed legislation and/or policy

Indicators:

- Drafted legislation and/or policy for the electricity sector, with particular focus on requirements for connection to the North American power grid
- Developed biofuels policy
- Developed Labrador industrial rate electricity policy
- Completed planned 2011-12 components necessary to advance Lower Churchill project milestones
- Investigated development of small scale hydro and wind power for remote Labrador coastal communities



Mines and Energy

Objective 2:

By March 31, 2013 the Department of Natural Resources will have advanced priorities related to hydro and electricity development in the province.

Objective 3:

By March 31, 2014 the Department of Natural Resources will have ensured progression of the Lower Churchill project and initiated development of a provincial wind policy.



Mines and Energy

Issue 4: Outreach for Growth

Effective communication with stakeholders is an integral part of successful industry growth and development. Public knowledge and perceptions of the mining and energy sectors are important factors as the province works to increase development. It is expected that knowledge and perceptions change as industries mature and as specific projects are initiated or negative events occur. Better public/community understanding of these and other matters will lead to more informed decisions on participation in resource development projects.

There is significant benefit in informing the public about the innovative and modern industries that are now in place in the province as well as the full range of economic benefits that come to the province through resource development. With several major projects on the horizon, greater public knowledge about future developments will also help increase interest in careers in the mineral and energy industries. Communicating information about future developments and employment/business opportunities will support increased local community participation in resource development and better enable communities to prepare for economic opportunities associated with resource development.

By placing emphasis on communicating with stakeholders, the department itself will also become better informed about needs, concerns, opportunities and priorities in the area of natural resource development. A broad understanding of community interests, as well as industry-specific issues, will enhance the department's ability to carry out its planning, regulatory and administrative responsibilities.

Over the course of the planning period, the department will focus efforts on greater outreach to the general public, communities, and specific stakeholder groups to share information about current and future developments and their anticipated impacts on the province's economy, environment and people.



Mines and Energy

Goal 4:

By March 31, 2014 the Department of Natural Resources will have advanced outreach practices to support industry growth.

Measure: Advanced outreach practices

Indicators:

- Increased cooperation and networking between stakeholders, including the various government departments that play a role in maximizing benefits to the province
- Increased information sharing to inform the public on the economic benefits and environmental impacts/stewardship measures associated with resource development
- Furthered development of community consultation frameworks
- Increased outreach and awareness activities to schools and post secondary institutions
- Provided information to communities regarding sustainability of mineral and energy resources
- Improved effectiveness and coordination of planning, regulatory and administrative arrangements for mineral and energy resource management.

Objective 1:

By March 31, 2012 the Department of Natural Resources will have assessed opportunities for enhanced outreach and coordination

Measure: Assessed opportunities

Indicators:

- Completed analysis on opportunities for increased government, stakeholder, and community outreach and/or coordination



Mines and Energy

Objective 2:

By March 31, 2013 the Department of Natural Resources will have developed a comprehensive departmental outreach strategy.

Objective 3:

By March 31, 2014 the Department of Natural Resources will have implemented priority recommendations of the departmental outreach strategy in support of industry growth.



Mines and Energy

Appendix ME-I: Strategic Directions

A strategic direction is the articulation of a desired physical, social, or economic outcome that would normally require action by, or involvement of, more than one government entity. They are normally communicated through White Papers, or other major platform documents. For further detail on how the strategic directions are being addressed in this plan, refer to page 13.

Title: Resource exploration and development

Outcome: Increased exploration and development of mining and energy resources

This outcome supports the policy direction of government and will require focus in particular areas as outlined in the table below.

Strategic Direction	Focus Areas of the Strategic Direction	This Direction is:			
		Addressed in department's strategic plan	Addressed by other entities reporting to minister	Addressed in department's operational plan	Addressed in department's work plans
Increased exploration and development of mining and energy resources	Acquisition and promotion of geoscience data	✓			
	Increased exploration and development activity	✓			
	Enhanced marketing and promotion of our natural resources	✓			



Mines and Energy

Title: Responsible resource development

Outcome: Responsible resource development

This outcome supports the policy direction of government and will require focus in particular areas as outlined in the table below.

Strategic Direction	Focus Areas of the Strategic Direction	This Direction is:			
		Addressed in department strategic plan	Addressed by other entities reporting to minister	Addressed in department operational plan	Addressed in department work plans
Responsible resource development	Development of clean renewable energy through the Lower Churchill Project	✓			
	Activities to support Social License through adequate stakeholder consultation	✓			



Mines and Energy

Title: Strategic resource development

Outcome: Maximum benefits to the province through the strategic development of our resources

This outcome supports the policy direction of government and will require focus in particular areas as outlined in the table below.

Strategic Direction	Focus Areas of the Strategic Direction	This Direction is:			
		Addressed in department strategic plan	Addressed by other entities reporting to minister	Addressed in department operational plan	Addressed in department work plans
Ensure maximum benefits to the province through the strategic development of our resources	Increased participation in energy developments		✓		
	Supporting increased local industrial and employment benefits	✓			
	Increased participation of women and underrepresented groups in natural resource projects	✓			
	Influencing/informing strategic research and development investments	✓			



Mines and Energy

Title: Stable and competitive energy supply

Outcome: Stable and competitive energy supply for domestic use and export to market

This outcome supports the policy direction of government and will require focus in particular areas as outlined in the table below.

Strategic Direction	Focus Areas of the Strategic Direction	This Direction is:			
		Addressed in department strategic plan	Addressed by other entities reporting to minister	Addressed in department operational plan	Addressed in department work plans
Stable and competitive energy supply for domestic use and export to market	Alternative energy research and development	✓			
	Advancement of renewable energy projects and related infrastructure	✓			
	Development of industrial electricity rates that support resource development	✓			
	Export of surplus energy	✓			
	Development of innovative technology solutions for existing and new energy sources		✓		



Appendix ME-II: Legislation

1. ***Petroleum and Natural Gas Act.*** Defines how the rights to explore for and develop oil and gas properties on land may be obtained and maintained; how areas may be assigned for exploration; the scope with which government may regulate activity and the various royalties that may be due.
2. ***Canada-Newfoundland and Labrador Atlantic Accord Implementation Newfoundland and Labrador Act.*** Sets out the mechanism for joint federal-provincial management of the Newfoundland offshore area through the Canada-Newfoundland Offshore Petroleum board; defines the methods of obtaining exploration and production rights; the requirements for safety, resource conservation and environmental protection and the activities that may be regulated. The Act is mirrored in federal statutes.
3. ***Hydro Corporation Act.*** Continues the existence of, and sets out the mandate, powers and management structure of the Newfoundland and Labrador Hydro-Electric Corporation as a Crown agency.
4. ***Electrical Power Control Act.*** Sets policy with regard to electric power rates and establishes provisions for the determination of such power rates by the Public Utilities Board.
5. ***Lower Churchill Development Act.*** Authorizes the Minister of Mines and Energy to enter into an option agreement with the corporation guaranteeing the Lower Churchill Development Corporation (LCDC) executive water rights, rights to flood land and a sole option to purchase the Gull Island hydro assets.
6. ***Newfoundland and Labrador Power Commission (Water Power) Act.*** Extinguishes certain water power rights held at the time by BRINCO and provides for their assignment to Newfoundland and Labrador Hydro (Power Commission) to facilitate financing of the Bay d'Espoir hydro-electric project.
7. ***Miscellaneous Financial Provisions Act, 1975.*** Removes any restrictions elsewhere in provincial legislation on government assigning to Newfoundland and Labrador Hydro Electric Corporation a right, title or interest in royalties and rentals in clauses 1 and 8 of Part II of the lease between government and CF(L) Co.
8. ***Mineral Act.*** Defines the rights of explorers and developers of mineral properties;



Mines and Energy

the methodology to be used in obtaining such rights and the areas where government may regulate activity.

The Mineral Regulations provide specific details on the methods by which mineral rights may be acquired and the fee payments and reporting schedules required to keep these rights in good standing.

9. **Mineral Holdings Impost Tax Act.** Designed, by imposition of a tax, to encourage holders of mineral properties that do not come under the terms of the Mineral Act to either explore their lands or to surrender them so that they become subject to the Mineral Act.

The Mineral Holdings Impost Regulations set out the level of tax (impost) to be paid and the requirements for offsetting the tax through exploration expenditures.

10. **Quarry Materials Act, 1998.** Defines the rights of explorers and developers of quarry materials; the methods by which such rights may be required, royalties payable; and areas where government may regulate activity.

The Quarry Materials Regulations set out the details for obtaining such rights and keeping them in good standing.

11. **Undeveloped Minerals Areas Act.** Enables government to arrange for the exploration of private mineral properties (generally ones which are not covered by the Mineral Act) that in its opinion have not been adequately explored. Properties affected by the Act have been identified by various orders.
12. **Mining Act.** Regulates the development, operation and closure of mines in the province; outlines requirements for development, operational and rehabilitation and closure plans as well as milling licenses and financial assurance. This Act does not deal with Occupational Health and Safety matters.
13. **Energy Corporation Act.** Establishes the existence of, and sets out the mandate, powers and management structure of the Energy Corporation of Newfoundland and Labrador as a Crown agency



Forestry and Agrifoods Agency



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Forestry and Agrifoods

Introduction

The Forestry and Agrifoods Agency (the agency) is responsible for supporting the advancement and development of the province's forestry, agriculture and agrifoods resource sectors. The agency has staff located in offices throughout Newfoundland and Labrador to assist our many clients. Our focus has and will continue to be to work with the stakeholders of these natural resource sectors to achieve sustainable economic growth for the benefit of the people of Newfoundland and Labrador.

The Agriculture and Agrifoods Sector

Newfoundland and Labrador currently imports approximately 90 per cent of its food requirements. One of the primary focus areas of the Forestry and Agrifoods Agency will be in implementing programs and services to assist the agriculture and agrifoods sector in strengthening local production and, in turn, increasing food security in the province. During this strategic planning period, the agency will develop and implement initiatives to achieve the vision and goal of the Forestry and Agrifoods Agency's five year Agriculture and Agrifoods Action Plan, *Our Farms, Our Food, Our Future*. Throughout the implementation of this plan, the focus will be on building an innovative, profitable and sustainable industry. The agency's role under this plan will be in supporting efforts toward innovation, planning for future generations, and increasing the production of safe, high-quality agricultural products in Newfoundland and Labrador.

The agency will also work collaboratively with Agriculture and Agri-Food Canada to develop future federal-provincial programming beyond the current Growing Forward Agreement, which expires on March 31, 2013. It is important the agency continues to work with federal counterparts to ensure future support for agribusiness growth and development.

The Forestry Sector

Over the past several years significant change has occurred within the forestry sector in Newfoundland and Labrador, as well as the Canadian sector at large. Significant challenges exist with aging mills and declining markets (most notably the U.S. housing and newsprint sectors) which have led to a dramatic downsizing of the industry, in excess of 50 per cent of historical output in many jurisdictions. Transformation and rationalization are occurring as the industry adapts to new market realities. This was



Forestry and Agrifoods

clearly evident in central Newfoundland in 2009 when the historic Grand Falls-Windsor pulp and paper mill shut down after over a century of operation. The province's remaining forestry operations have been true innovators and have drastically reduced costs to remain competitive. Many operations are now looking to diversify into the next generation of forest product lines. It is critical that this transformation results in a forest industry that continues to provide sustainable and renewable benefits to its citizens.

In order to ensure the province continues to derive significant economic benefits from its forest resources, the forest industry of the future in Newfoundland and Labrador must be about more than resource extraction. Innovative forest products, new industry technologies and systems, and effective forest management (e.g., certified and carbon neutral forests) will form the basis of growth in this sector. At present, the economic stresses placed on industry participants limit their ability to make investments in these future products and processes. To help bridge this gap, the Forestry and Agrifoods Agency will focus on collaborative research and development, new wood products development in central Newfoundland, bio-fuels, promotion of the industry along with agency programs and services, and protection of the forest resource. Diversification will continue to be a key focus, along with building on the strengths of the sawmilling and value-added industry. Strategic aspects of the regulatory and policy environment will also be addressed, in a continuing effort to improve management and maintain relationships with stakeholders. These efforts will be geared toward providing the foundation and new ideas on which the forest industry of the future will be built.

The Way Forward

The strategic plan which follows was prepared to comply with the provisions of the *Transparency and Accountability Act*. Over the April 1, 2011 to March 31, 2014 strategic planning period, the Forestry and Agrifoods Agency will pursue a range of initiatives aimed at ensuring sustainability, supporting improvements in the overall performance of the province's forestry, agriculture and agrifoods sectors, and promoting a greater public awareness of the importance of these sectors to the ecological, economic and social sustainability of the province.



Forestry and Agrifoods

Overview of the Agency

The Forestry and Agrifoods Agency was established under the *Executive Council Act*. It is a category one public body under the *Transparency and Accountability Act*. The agency is responsible for supporting and achieving outcomes with respect to natural resource development in the forestry, agriculture and agrifoods sectors through the Forestry Services Branch and the Agrifoods Development Branch.

Forestry Services Branch

The **Forestry Services Branch** is responsible for managing and regulating the forest resources of the province.

Agrifoods Development Branch

The **Agrifoods Development Branch** is responsible for promoting the continued development and diversification of competitive and sustainable agriculture and agrifoods businesses.

Employees

As of March 2, 2011 the agency had 381¹ staff on payroll.

Branch	Female	Male	Total
Agrifoods	49	52	101
Forestry	60	220	280
Total¹	109	272	381

¹This figure does not include: 217 seasonal employees employed in the Forestry Service (majority male); 43 employees in Executive Support and Financial Operations shared with the Mines and Energy Branches (evenly split between genders); and 7 employees with the Public Service Secretariat shared with other areas of government (majority female).



Forestry and Agrifoods

Physical Location and Website

In addition to 24 district and satellite offices throughout the province, the main offices of the agency are located at the Fortis Building in Corner Brook. The mailing address is as follows:

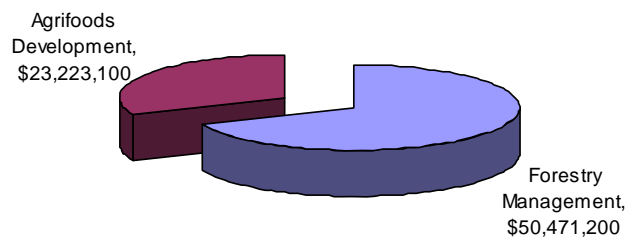
Fortis Building
P.O. Box 2006
Corner Brook, NL
A2H 6J8

The Department of Natural Resources web site address is www.gov.nl.ca/nr. A link to the department's web site is also provided in the main web site for the Government of Newfoundland and Labrador at www.gov.nl.ca.

Budget

The budget for the Forestry and Agrifoods Agency for fiscal year 2011-12 totaled \$73.69 million. This figure does not include \$5.7 million budget for executive and support services which are shared with other areas of the Mines and Energy Branches.

2011-12 Budget by Branch





Forestry and Agrifoods

Other Entities

The Forestry and Agrifoods Agency has legislative oversight for the following public bodies:

- Wooddale Land Development Advisory Authority
- St. John's Urban Region Agriculture Appeal Board
- Farm Industry Review Board
- Agricultural Land Consolidation Review Committee
- St. John's Land Development Advisory Authority
- Newfoundland and Labrador Livestock Owners Compensation Board
- Chicken Farmers of Newfoundland and Labrador
- Newfoundland and Labrador Crop Insurance Agency
- Forest Land Tax Appeals Board
- Newfoundland and Labrador Farm Products Corporation
- Timber Scalers Board

Mandate

The mandate of the Forestry and Agrifoods Agency includes the supervision, control and direction of all matters relating to:

- forest resources and utilization (control and direction of cutting, classifying, measuring, manufacturing and inspection of trees and timber products), constructing and maintaining forest access roads, forest protection from fire and insects, silviculture, inventory, conservation, management, preparation of management plans, analysis, mapping and developing of forest resources;
- enforcement and compliance responsibility in the areas of forestry and assisting in enforcement in the areas of motorized snow vehicle and all-terrain vehicle usage;
- agriculture, including, without limitation of the word "agriculture," agrifoods, agronomy, horticulture, animal husbandry, aviculture, the development of forage production and the growing of hay and the products of agriculture, including, without limitation of the word "products," animals, meats, fur, eggs, poultry, wool, dairy products, berries, grains, seeds, fruit, including wild fruit, fruit products, vegetables and vegetable products;
- animal health;
- food technology and marketing; and



Forestry and Agrifoods

- agricultural land and the sustainable utilization, protection, conservation, management, surveying, mapping and development of agricultural land.

For a complete list of all legislative responsibilities that inform the agency's mandate, please refer to Appendix FA-II and/or the House of Assembly website:

<http://www.assembly.nl.ca/Legislation/sr/NaturalResources.htm>.

Lines of Business

Working closely with key stakeholders, the Forestry and Agrifoods Agency develops policy and programs, and provides support functions to the forestry, agriculture and agrifoods industries. Programs and services are specifically directed to promoting and facilitating well-planned, sustainable growth and development and associated economic and employment opportunities. The agency has eight main program and service areas, described below.

Sustainable Forest Management

The agency works to ensure a balance between environmental, economic and social values, while having forest ecosystems that provide viable populations of native species, a sustainable forest economy and associated employment. Through the agency's headquarters in Corner Brook, and offices in St. John's, the agency is responsible for policy, legislation, programs and forest management planning that enable the citizens of the province to benefit from the services that the ecosystems provide while ensuring their sustainability and health.

The agency's forest programs include silviculture, resource roads construction, forest inventory, forest fire suppression, forest insect control, forest management planning, enforcement/compliance, wood measurement and timber royalty, and industry development.

Furthermore, the Centre of Forest Science and Innovation is responsible for the development of forest-related research programs and science capacity in the province consistent with themes of the Provincial Sustainable Forest Management Strategy and other guiding documents.

Research themes under the ecological direction of the Provincial Forest Research Strategy include forest disturbance, climate change, ecosystem dynamics, biodiversity



Forestry and Agrifoods

and water. Economic themes are grouped under innovation, industry and markets while social themes include forest based communities, aboriginal participation and forest values.

Regional Services

The policy and programs associated with sustainable forest management, health and services are implemented through a regional/district structure. Regional Services is responsible for the delivery of the silviculture, resource roads, forest fire suppression, and enforcement/compliance programs. In addition, Regional Services is responsible for public awareness programs (presentations to schools, service clubs, etc,) addressing public concerns on other forest resource management issues and the development of district sustainable forest management plans.

Enforcement and Compliance of Legislated Requirements

The agency's responsibility for enforcement as a tool in forestry management is delivered through the Regional Services structure. In this capacity over 100 Conservation Officers are located at various regional/district offices across the province. In addition to enforcing Forestry regulations under the *Forestry Act/Regulations*, Conservation Officers are authorized to enforce provisions of the *Plant Protection Act*, *Motorized Snow Vehicles and All-Terrain Vehicles Act/Regulations* and certain sections of the *Wilderness and Ecological Reserves Act/Regulations*. The agency actively collaborates with other government departments and agencies on enforcement activities. The agency is responsible for monitoring timber harvesting operations as well as patrolling forest areas for compliance with the regulations under the various acts.

The Legislation and Compliance Division is located at headquarters in Fortis Towers in Corner Brook. In addition to providing support for enforcement and compliance related activities in regions and districts, this division manages: special investigations; policy development, implementation, analysis, and review; coordination of training and certification for enforcement related duties including use of force; and enforcement equipment inventory and distribution.



Forestry and Agrifoods

Licensing and Permitting

The agency's regional and district offices issue licenses and permits for: commercial or domestic timber cutting, commercial or domestic sawmilling, burning permits, operating permits during the fire season, timber export, the purchase of timber, protection of livestock from wild animals, bear protection, replacement of a big game license, permits to remove nuisance animals, game export permits, temporary outdoor identification cards, possession for taxidermy, permit to transport firearms, and fur bearer export permits.

Production and Market Development

The agency offers a wide range of programs and services aimed at maximizing production and market development at the primary and secondary levels. These programs and services include: professional and technical support, pest control training, research and development, market development, market intelligence, on-farm food safety, off-farm food safety, and marketing and promotion.

Business Development Services

The agency delivers a wide range of programs and services to support business development including: AgrilInsurance, Livestock Insurance; the Provincial Agrifoods Assistance Program, Growing Forward, and the Agriculture and Agrifoods Development Fund; grants and subsidies for the Newfoundland and Labrador Federation of Agriculture, 4-H Program, and the Provincial Training Program; and Professional Advisory Services through eight agricultural representatives and three farm management specialists.

Land Resource Stewardship

The agency offers a number of programs and services in the area of land resource stewardship including the: Environment and Land Use Program, involving the Real Property Tax Exemption Program; Land Consolidation Program; Environmental Farm Planning Program; Agricultural Limestone Program; and Agricultural Access Roads and Electrical Services. Also included are soils and mapping activities, delivered through the Soil Survey Program; geographic information system development; field mapping and database development; and the Soil Fertility and Laboratory Service Program.



Forestry and Agrifoods

Animal Health

The agency's animal health services consist of: farm animal veterinary services; supportive laboratory analyses for diagnostic and regulatory programs through the ISO 17025 accredited Animal Health Laboratory; control of food quality at the production or primary processing level under the *Food and Drug Act* (raw milk) and *Meat Inspection Act* (slaughterhouses); monitoring and control of specific animal diseases of either economic interest to the livestock industry or of public health interest to the provincial community under the new *Animal Health and Protection Act*; the oversight, monitoring and support of investigations of cruelty to animals complaints (new *Animal Health and Protection Act*); assistance to wildlife/conservation officials; promotion and control of Heritage Animals (Newfoundland Ponies) under the new *Animal Health and Protection Act*.

Primary Clients

The clients of the Forestry and Agrifoods Agency include:

- Pulp and paper and sawmill industries;
- Secondary processing value-added and bioenergy industries;
- Commercial and domestic cutting permit holders on crown land;
- Aboriginal groups;
- Agribusinesses;
- Agriculture organizations;
- Municipal councils;
- Environmental groups;
- Other provincial government departments;
- Federal government departments; and,
- Residents of the province.



Forestry and Agrifoods

Core Values and Guiding Principles

The Forestry and Agrifoods Agency values an environment that facilitates a high degree of personal responsibility and initiative. Employee excellence is the key to achievement of all activities as individuals and as team members. During the 2011-14 planning period, the agency's employees will be guided by the following core values or guiding principles as they address opportunities and challenges on related issues.

Integrity	Each individual will be honest, dependable, fair, credible and trustworthy. They will openly acknowledge mistakes, seek to correct them and learn from them.
Respect and Professionalism	Each individual will apply legislation and policies equitably and will serve the department's client groups to the fullest extent possible in a timely manner.
Collaboration	Each individual will seek the opinions and ideas of others in the application of legislation and policies.
Innovation	Each individual will demonstrate initiative and flexibility in responding to challenges and change.
Safety	Each employee views the personal safety of themselves and co-workers in the highest regard and will promote workplace safety at all times.
Productive	Each employee will maximize their productivity and efficiency in carrying out their duties.
Continuous Improvement	Each employee will develop their strengths, improve their knowledge, increase their potential and achieve personal growth through continuous education.
Timely	Each employee will conduct their duties in a timely manner and meet all established deadlines.



Forestry and Agrifoods

Vision

A vision statement describes the ideal state an organization is striving to achieve in the long term. The vision of the Department of Natural Resources is:

The vision of the Department of Natural Resources is a province that realizes the full benefit from the sustainable development of its natural resources.

Strategic Directions

Appendix FA-I presents the strategic directions of government in the natural resource areas of forestry and agrifoods. In the development of this strategic plan, the department used these directions as guideposts in the development of its mission as well as the goals and objectives it has chosen to focus on in the coming years.

Over the next three years, the Forestry and Agrifoods Agency will work with relevant stakeholders to ensure the strategic development of our forestry, agriculture and agrifoods sectors. The agency's programs and services will be focused on the sustainable economic development of our renewable natural resources.



Forestry and Agrifoods

Mission

The mission statement identifies the longer-term result that the Forestry and Agrifoods Agency will be working toward to attend to the strategic directions of government. The statement also identifies the measures and indicators that will assist both the Agency and the public in monitoring and evaluating success.

An organization's mission represents its primary focus, the ultimate target that will guide all of its operations and decisions for the foreseeable future. Our role as the Forestry and Agrifoods Agency is to support and foster development opportunities in the forestry, agriculture and agrifoods sectors in Newfoundland and Labrador. During this planning cycle, the agency will work with sector stakeholders to further the sustainable economic advancement of the forestry, agriculture and agrifoods sectors, in addition to exploring opportunities to diversify into new products, expand to new markets, increase innovation through research and development, and promote the industry through improved public knowledge. Through these focus areas and within the context of its mandate and financial resources, the agency will implement programs and initiatives consistent with the strategic directions of government. These initiatives will:

- Enhance sustainable development of the forestry, agriculture and agrifoods sectors;
- Support growth and innovation in the agriculture and agrifoods sectors;
- Assist the forestry sector to diversify and respond to innovative opportunities for long-term stability and prosperity of the industry;
- Contribute to innovation through research and development; and,
- Improve public knowledge of forestry, agriculture and agrifoods as well as the importance of supporting local industry.

Mission: By March 31, 2017, the Forestry and Agrifoods Agency will have supported programs and services to strengthen and sustain forestry, agriculture and agrifoods industry development in an innovative and economically beneficial manner.



Forestry and Agrifoods

Measure 1: Supported the strengthening and sustainability of the agriculture and agrifoods industry to create sustainable economic opportunities in Newfoundland and Labrador

Indicators:

- Supported industry capacity building to increase food security within the province
- Supported increased development of agricultural land
- Supported opportunities to sustain and develop agribusinesses within the province
- Supported increased innovation and research and development within government and industry

Measure 2: Implemented programs to sustain the province's forest ecosystems and strengthen the forest industry to create sustainable economic opportunities in Newfoundland and Labrador

Indicators:

- Ensured actual harvest levels do not exceed sustainable harvest levels for each of the province's forest management districts in the context of five year targets
- Ensured area silviculturally treated matches silviculture levels defined to maintain established sustainable harvest levels in the context of five year targets and actual harvest levels
- Promoted industry diversification by supporting the development of new value-added wood manufacturing and bioenergy facilities in the province
- Ensured all forest management districts have current sustainable forest management plans in place
- Supported initiatives to increase protection of forests from fire, insects and disease
- Developed and implemented a forest products marketing strategy to promote the forest industry and locally produced forest products
- Supported increased research and development aimed at sustaining forest ecosystems and sustainable management of forest resources
- Implemented programs to maintain and expand capital infrastructure in support of ongoing forest industry activities



Forestry and Agrifoods

Strategic Issues

As indicated in the introduction to the mission, the following issues support the strategic directions of government as communicated by the minister responsible for the Forestry and Agrifoods Agency and found in Appendix FA-I.

Issue 1: Forestry, Agriculture and Agrifoods Resource Sustainability

Sustainability of our renewable forest, agriculture and agrifoods sectors is paramount. The Forestry and Agrifoods Agency will continue to work with industry to ensure the viability and longevity of our sectors for the future.

The Forestry and Agrifoods Agency is focused on ensuring the sustainability of the agriculture and agrifoods industry. The agency will support initiatives to encourage new entrants into the industry. Currently, only six per cent of our province's farmers are under the age of 35. The agency will focus on attracting new people to the industry and creating a better labour supply. It is important to investigate and develop programs to support new entrants and address some of the issues they face. The agency will be developing a Legal Survey Assistance Program to assist new entrants with the reimbursement of legal land survey costs. The agency will also be improving our standards in our laboratory to help service the industry better, and continue to implement initiatives that support environmental stewardship, food safety and industry sustainability.

To strengthen the forest industry, the Forestry and Agrifoods Agency will finalize and implement a comprehensive marketing strategy to promote existing and new forest products. Completion of legislative changes to the Forestry Act, increased monitoring to direct forest protection measures and implementation of an environmental management system in support of certification of Crown forestry operations will also be priorities. Maintenance of forest ecosystem productivity will guide all forest management initiatives.



Forestry and Agrifoods

Goal 1:

By March 31, 2014, the Forestry and Agrifoods Agency will have implemented measures to advance forestry, agriculture and agrifoods industry sustainability in the province.

Measure: Implemented measures to advance forestry, agriculture and agrifoods industry sustainability

Indicators:

- Implemented initiatives to monitor the health of managed forests
- Completed renewal of forestry policy structures to support legislative framework
- Implemented an Environmental Management System for forest certification
- Developed and implemented agribusiness new entrants initiatives
- Supported and implemented agriculture sustainability initiatives
- Improved agrifoods laboratory services

Objective 1

By March 31, 2012, the Forestry and Agrifoods Agency will have commenced development and/or implementation of priority initiatives to strengthen the forestry, agriculture and agrifoods industries to create sustainable opportunities for Newfoundland and Labrador.

Measure: Commenced development and/or implementation of initiatives to support sustainable development of the forestry, agriculture and agrifoods industry.

Indicators:

- Commenced development of an Environmental Management System for certification of Crown forestry operations
- Developed:
 - New forestry policy structure in support of legislative framework
 - Approaches to develop agribusiness new entrants initiatives
 - A Legal Survey Assistance Program



Forestry and Agrifoods

- Maintained and expanded capital infrastructure (forest access roads and bridges)
- Implemented:
 - Forest protection initiatives for managed forest stands
 - Growing Forward sustainability programs
 - Improved quality and standards of Agrifoods Development Branch laboratories

Objective 2:

By March 31, 2013, the Forestry and Agrifoods Agency will have continued implementation of initiatives to support sustainable development of the forestry, agriculture and agrifoods industries.

Objective 3:

By March 31, 2014, the Forestry and Agrifoods Agency will have implemented measures to advance forestry, agriculture and agrifoods industries sustainability in the province.



Forestry and Agrifoods

Issue 2: Forestry, Agriculture and Agrifoods Innovation, Development and Promotion

In addition, to supporting long term sustainability, the agency also places significant focus on supporting growth and expansion of the forestry, agriculture and agrifoods industries in Newfoundland and Labrador.

The agency has developed an action plan for the agriculture and agrifoods industry and over the next five years will be implementing specific actions to assist the province in strengthening the industry. We will focus on our agribusinesses and take steps to build a stronger industry that provides greater food security for the province. We will work with industry and other stakeholders to increase industry capacity, innovation and create greater awareness of the importance of the province's food production and its value in building food security for our citizens.

The continued development of the province's forest industry is critically dependant on the ability of sector participants to compete in a changing global environment. Support for opportunities to diversify into new products, expand to new markets, and increase innovation through research and development will be a primary focus of the Forestry and Agrifoods Agency. The province's Centre for Forest Science and Innovation will draw together experts from Memorial University, the Government of Canada and the forest industry to identify ways to grow the sector while ensuring the best available science is used to manage the resource.

The agency will also promote the industry and implement programs designed to improve public knowledge of the sector. These efforts will strengthen the long term viability of this important renewal resource sector.



Forestry and Agrifoods

Goal 2:

By March 31, 2014, the Forestry and Agrifoods Agency will have supported the expansion and promotion of the forestry, agriculture and agrifoods industries through innovative initiatives.

Measure: Supported expansion and promotion of the forestry, agriculture and agrifoods industries

Indicators:

- Completed a comprehensive marketing strategy for the forestry sector
- Supported diversification initiatives in forest-based industry
- Developed initiatives to promote forest resource management awareness
- Supported increased food security and sector capacity building
- Supported land development activities
- Supported collaborative research and development to support both agribusiness and forest sector innovation
- Improved agribusiness skills and market readiness
- Improved promotion of food production and food security information for the general public

Objective 1:

By March 31, 2012 the Forestry and Agrifoods Agency will commence implementation of initiatives to support expansion and promotion of the forestry, agriculture and agrifoods industries.

Measure: Commenced implementation of initiatives to support industry expansion and promotion

Indicators:

- Supported collaborative forestry research and development centered on three priority research directions (Ecological, Economic and Social)
- Developed a comprehensive marketing strategy for manufactured wood products
- Supported development of new forest-based initiatives in Central Newfoundland



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- Supported development of new forest-based initiatives in Labrador
- Worked with Agriculture and Agri-food Canada to begin developing Growing Forward 2, the next phase of federal-provincial agriculture industry programming, for delivery in 2013
- Expanded the Agriculture and Agrifoods Research Program to support innovation and research and development within the agriculture and agrifoods sectors.
- Commenced development of educational agribusiness modules and market readiness toolkits
- Collaborated with industry to develop and implement agriculture awareness initiatives

Objective 2

By March 31, 2013 the Forestry and Agrifoods Agency will have continued the implementation of initiatives to support forestry, agriculture and agrifoods industry expansion and promotion.

Objective 3

By March 31, 2014, the Forestry and Agrifoods Agency will have supported the expansion and promotion of the forestry, agriculture and agrifoods industries.



Forestry and Agrifoods

Appendix FA-I: Strategic Directions

A strategic direction is the articulation of a desired physical, social, or economic outcome that would normally require action by, or involvement of, more than one government entity. They are normally communicated through White Papers, or other major platform documents.

Title: Forestry, Agriculture and Agrifoods Resource Sustainability

The forestry sector is facing unprecedented challenges in the changing global environment. Improved industry competitiveness and environmental stewardship are key strategic components to ensure sustainability of our forestry renewable resources while providing long term benefits to Newfoundland and Labrador.

The agriculture and agrifoods sector is an important component of our economy and must be properly managed to ensure a future supply of agriculture and agrifoods products. Ensuring sustainability of our agriculture renewable resources will provide future economic benefits to the province.

OUTCOME: Enhanced resource management to maintain a globally competitive and sustainable forestry industry and to ensure future agriculture and agrifoods production.

This outcome supports the policy direction of government and will require focus in particular areas as outlined in the table below.



Forestry and Agrifoods

Strategic Direction	Focus Areas of the Strategic Direction	This Direction is			
		Addressed in agency strategic plan	Addressed by other entities reporting to minister	Addressed in agency operational plan	Addressed in agency work plans
Enhanced resource management to maintain a globally competitive and sustainable forestry industry and to ensure future agriculture and agrifoods production.	Agrifoods Resource Management	✓			
	Land Management	✓			
	Research and Development	✓			
	Human Resource Development	✓			
	Resource/Product Safety	✓			
	Forest Resource Management	✓			
	Industry Support to Strengthen Global Competitiveness	✓			
	Environmental Management System	✓			



Forestry and Agrifoods

Title: Forestry, Agriculture and Agrifoods Innovation, Promotion and Development

To ensure the continued sustainable development of the industry our forestry sector must improve the ability to compete in a changing global environment. Opportunities to diversify into new products, expand to new markets, increase innovation through research and development and promote the industry through improved public knowledge will strengthen long term viability of this important renewal resource sector.

Our agriculture and agrifoods sector has an opportunity to expand beyond its current levels of production. Food security is important in a province that imports approximately 90 per cent of its food supply and relies heavily upon a marine transportation system for the transport of our food supply. Opportunities to expand and diversify the agriculture and agrifoods sector will be a vital component of industry development.

OUTCOME: Enhanced forestry, agriculture and agrifoods sectors' innovation, promotion and development.

This outcome supports the policy direction of government and will require focus in particular areas as outlined in the table below.



Forestry and Agrifoods

Strategic Direction	Focus Areas of the Strategic Direction	This Direction is			
		Addressed in agency strategic plan	Addressed by other entities reporting to minister	Addressed in agency operational plan	Addressed in agency work plans
Enhanced forestry, agriculture and agrifoods sectors innovation, promotion and development	Land Development	✓			
	Agriculture Primary Production	✓			
	Agrifoods Secondary Processing	✓			
	Innovation/Research and Development	✓			
	Agribusiness Development	✓			
	Product Diversification	✓			
	Comprehensive Marketing Strategy	✓			
	Promotion and Education	✓			



Forestry and Agrifoods

Appendix FA-II: Legislation

Forestry Branch

Abitibi-Consolidated Rights and Assets Act. An act to return to the crown certain rights relating to timber and water use vested in Abitibi-Consolidated and to expropriate assets and lands associated with the generation of electricity enabled by those water use rights.

Foresters Act. An act establishing the Association of Registered Professional Foresters of Newfoundland and Labrador. The act outlines the objectives, structure, operation and membership of the Association.

Forestry Protection Act. An act to provide for the establishment and maintenance of a forest protection association in the province.

Forestry Act. An act respecting the management, harvesting, and protection of the forests of the province.

Motorized Snow Vehicles and All-Terrain Vehicles Act. An act respecting all-terrain vehicles.

Agrifoods Branch

Agrologists Act. An act establishing the Newfoundland and Labrador Institute of Agrologists. The act outlines the objectives, structure, operation and membership of the Institute.

Animal Health and Protection Act⁹. An act respecting the health and protection of animals.

Animal Protection Act. The purpose of this act is to provide for a method to help animals that are in distress and to prevent cruelty or other mistreatment of animals.

⁹ Once associated regulations come into force, the *Animal Health and Protection Act* will consolidate the following acts: *Animal Protection Act, Livestock Act, Livestock Health Act, Dog Act, Heritage Animals Act, Poultry and Poultry Products Act.*



Forestry and Agrifoods

Crop Insurance Act. An act respecting the Newfoundland and Labrador Crop Insurance Agency. The Crop Insurance Plan is covered under this act. The plan offers insurance on insurable agricultural crops under the regulations. The act designates the Newfoundland and Labrador Crop Insurance Fund and also the Crop Insurance Agency.

Dog Act. An act respecting the keeping of dogs.

Farm Practices Protection Act. An act respecting the protection of farm practices in the province.

Farm Products Corporation Act. An act respecting the administration of Farm Products Corporation.

Heritage Animals Act. An act to provide the means for recognition and protection of heritage animals within the province. Included under this act are the Designation of Inspectors Order and the Newfoundland Pony Designation Order.

Livestock Act. An act regarding the control and protection of livestock. The Livestock Regulations outline the details relating to the control and protection of livestock.

Livestock Health Act. An act respecting the prevention of diseases in livestock. Under this act are the Livestock Health Regulations which provide the details on the prevention of diseases in livestock.

Livestock Insurance Act. An act to provide for livestock insurance and respecting the Livestock Owners Compensation Board. The Livestock Insurance Plan is covered under this act. The plan offers insurance on beef, sheep, cattle and goats from predatory attacks by dogs or coyotes. The act designates the Livestock Owners Compensation Fund and the Livestock Owners Compensation Board.

Meat Inspection Act. An act to provide for animal and meat inspection in slaughterhouses. This act includes Meat Inspection Regulations which provide the details on standards and licensing for animal and meat inspection in slaughterhouses.

Natural Products Marketing Act. An act to allow for the creation of commodity boards, and a supervisory board to protect the interests of the general public, and an act to amend the *Natural Products Marketing Act* and the *Farm Practices Protection Act* to create the Farm Industry Review Board.



Forestry and Agrifoods

Plant Protection Act. An act respecting the protection of plants and the prevention of the spread of pests and diseases destructive to vegetation.

Poultry and Poultry Products Act. An act respecting poultry and poultry products such as chicken and eggs.

Vegetable Grading Act. An act respecting the grading of certain products of agriculture in the province.

Veterinary Medical Act. An act to revise the law about veterinary medicine.



Forestry and Agrifoods

Appendix FA-III: Inactive Public Bodies

The legislation under the administration of the Forestry and Agrifoods Agency creates 11 category 3 public bodies. Three of these public bodies are anticipated to be inactive during the April 1, 2011 to March 31, 2014 period. In the event that one of these public bodies becomes active, it will prepare and table in the House of Assembly an Activity Plan for the remainder of the planning period. The Activity Plans will be prepared based on guidelines for category 3 public bodies. The inactive public bodies and their respective mandates are as follows:

Forest Land Tax Appeals Board – The Forest Land Tax Appeals Board was created pursuant to the Forestry Act (1990). The mandate of the Forest Land Tax Appeal Board is to hear appeals from landholders who disagree with the way in which Part III of the Forestry Act (1990) is applied. Appeals may concern: the contents of a Certificate of Managed Land issued to the appellant; entries made with respect to the appellant in the Assessment Roll; the amount of tax payable by the appellant; or whether or not the appellant is even liable for taxation under Part III of the Act.

Newfoundland and Labrador Farm Products Corporation – The Newfoundland and Labrador Farm Products Corporation was created pursuant to the Farm Products Corporation Act. The corporation has a mandate to establish abattoirs, cold storage plants, warehouses, packing and processing plants and other buildings and establishments of every kind necessary and suitable for the handling, preparation, processing and storage of farm products of every kind both animal and vegetable for the purpose of facilitating the development of farm products in the province. Associated activities may include: making advances of livestock to farmers and livestock keepers, either for cash or on credit; employing instructors to instruct farmers and livestock keepers; purchasing, storing, processing, packing and selling farm products of every kind; and handling, storing and selling or advancing on credit animal feeding stuffs of every kind.

Timber Scalers Board – The Timber Scalers Board was created pursuant to the Forestry Act (1990). Under section 124 of the Forestry Act, the duties of the Timber Scalers Board are to: examine the ability and knowledge of persons who apply to be certified to scale timber; hear appeals related to scaling disputes; and recommend to the minister new scaling methods before they are used.

