

2015-16

**FORESTRY AND AGRIFOODS
AGENCY
Annual Performance Report**

Message from the Minister



Speaker of the House of Assembly

Dear Mr. Speaker:

In accordance with the *Transparency and Accountability Act*, I hereby submit the 2015-16 Annual Performance Report for the Forestry and Agrifoods Agency. I am accountable for the results contained in this report.

The Forestry and Agrifoods Agency continues to strive to meet and exceed the goals set out in its Strategic Plan 2014-17. This report is a summary of the achievements of the Agency's programs and services throughout 2015-16.

On August 17, 2016, the Forestry and Agrifoods Agency merged with the Department of Fisheries and Aquaculture to form the new Department of Fisheries, Forestry and Agrifoods. This change will integrate both entities to deliver better management, more efficient planning, and sound governance. For 2016-17, under the new Department of Fisheries, Forestry and Agrifoods I look forward to reporting the achievements and progress for the 2016-17 objectives.

Sincerely,

A handwritten signature in black ink that reads "Steve Crocker". The signature is written in a cursive, flowing style.

STEVE CROCKER, MHA
Carbonear - Trinity - Bay de Verde
Minister

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Introduction

In the fiscal year 2015-16, the Forestry and Agrifoods Agency (the agency) continued working towards goals that support its vision and mandate. The Annual Performance Report provides some of the highlights of the work of the Forestry Services Branch and the Agrifoods Development Branch over this past fiscal year.

The agency spent \$56.2 million in 2015-16 on forestry and agriculture programs and services to support resource advancement that economically benefit many regions of Newfoundland and Labrador.

The Forestry and Agrifoods Agency supports economic development, resource sustainability, innovation, diversification and collaborative partnerships that increase opportunities for our forestry, agriculture and agrifoods sectors.

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 legislation administered by the agency is provided in Appendix I.

Vision

The vision of the Forestry and Agrifoods Agency is a province that realizes the full benefit from the sustainable development of its natural resources.

Mission Statement

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.

Mandate

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

- Sustainable forest management, such as forest resource utilization, construction and maintaining forest resource roads, forest protection, silviculture, inventory and mapping, conservation, management and planning, research, frontline client services, and enforcement and compliance;
- Agriculture, including, without limitation of the word "agriculture," agrifoods, agronomy, horticulture, animal husbandry, aviculture, apiculture, 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
- Agricultural land and the sustainable utilization, protection, conservation, management, surveying, mapping and development of agricultural land.

The agency's responsibilities for supporting natural resource development in the forestry, agriculture and agrifoods sectors are provided through the Forestry Services Branch and the Agrifoods Development Branch. The Policy and Planning Division provides policy support and coordination for both branches within the agency.

Forestry Services Branch

The Forestry Services Branch is responsible for managing and regulating the province's forest resources. Programs and services are provided through the following divisions within the branch: Forest Ecosystem Management, Forest Engineering and Industry Services, Legislation and Compliance and the Centre for Forest Science and Innovation. District offices operate within three regions – Eastern, Western and Labrador.

Agrifoods Development Branch

The Agrifoods Development Branch is responsible for promoting the continued development, expansion and diversification of competitive and sustainable primary and value-added agriculture and agrifoods businesses. Programs and services are provided through the following divisions within the branch: Agriculture Business Development, Animal Health, Land Resource Stewardship and Production and Market Development.

Employees

As of March 31, 2016, the Forestry and Agrifoods Agency had 365 staff on payroll. Employees with the agency work in offices located in St. John's and Corner Brook, as well as in district offices and units located throughout the province.

The table below provides the breakdown of staff in each branch.

Branch	Female	Male	Total
Agrifoods Development	70	40	110
Forestry Services	61	179	240
Financial Operations ⁽¹⁾	4	6	10
Executive Support	2	0	2
Executive	0	3	3
Total⁽²⁾	137	228	365

1. Financial Operations staff is shared with Department of Natural Resources and the Department of Fisheries and Aquaculture.

2. This figure does not include 195 seasonal employees employed in the Forestry Service.

Physical Location

The Forestry and Agrifoods Agency headquarters is 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

In addition to headquarters, the agency has offices located throughout the province. A detailed listing can be located on the Forestry and Agrifoods Agency website www.faa.gov.nl.ca/ under the contact listings for the Forestry Services Branch and the Agrifoods Development Branch.

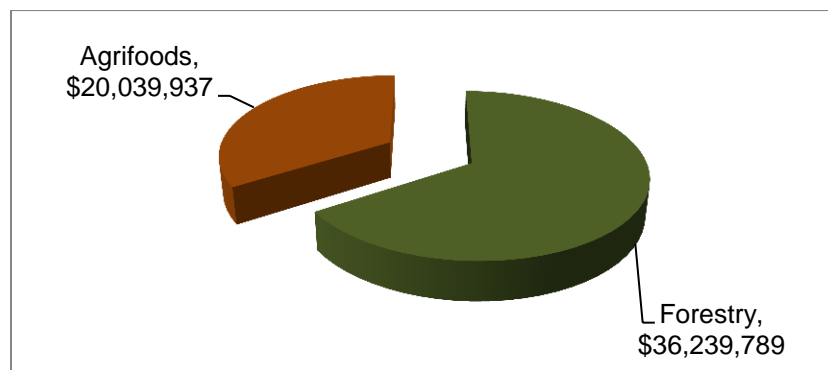
Website

The Forestry and Agrifoods Agency's website address is www.faa.gov.nl.ca. A link to the website is provided on the main website for the Government of Newfoundland and Labrador at www.gov.nl.ca.

Expenditures

Expenditures for the Forestry and Agrifoods Agency in fiscal year 2015-16 totaled \$56,279,726 million. This figure does not include \$799,985 for Executive and Support Services for 2015-16. The following chart provides a breakdown of expenditures by branch. See Appendix II for additional details.

2015-16 Expenditures by Branch



Lines of Business

Enforcement and Compliance of Legislated Requirements

The agency's responsibility for enforcement as a tool in forest 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 Corner Brook. In addition to providing support for enforcement and compliance related activities in regions and districts, the division also manages: environmental management system coordination; policy development implementation, analysis and review; special investigations; coordination of training and certification for enforcement related duties including use of force; and enforcement equipment inventory and distribution.

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, operating during the fire season, timber export, the purchase of timber, protection of livestock from wild animals, bear protection, replacement of a big game license, removal of nuisance animals, game export, temporary outdoor identification cards, possession for taxidermy, transport of firearms, and fur bearer export.

Regional Services

The policy and programs associated with sustainable forest management, forest health and public services are implemented through a regional/district structure. Regional services are 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.

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

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);
- Surveillance, research 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 *Animal Health and Protection Act*;
- The oversight, monitoring and support of investigations of cruelty to animals complaints (*Animal Health and Protection Act*);
- Assistance to wildlife/conservation officials and
- Promotion and control of Heritage Animals (Newfoundland Ponies) under the Animal Health and Protection Act.

Business Development Services

The agency delivers a wide range of programs and services to support business development including: AgriInsurance, Livestock Insurance, 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 Agriculture Development Officers and three Farm Management Specialists.

Land Management

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.

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.

2015-16 Year in Profile

The following sections profile some of the accomplishments of the Forestry and Agrifoods Agency during 2015-16.

ISO 14001:2004 Certification Demonstrates Environmental Accountability

The International Organization for Standardization (ISO) is the world's largest developer and publisher of international standards. The ISO 14001:2004 certification is an environmental management standard used in all industry sectors to demonstrate commitment to environmental protection and to assure public confidence in management activities. Achieving ISO certification was a commitment outlined in the Provincial Sustainable Forest Management Strategy, *Growing Our Renewable and Sustainable Forest Economy*.

The Forestry Services Branch became registered to the ISO 14001:2004 standard on December 17, 2015. The branch continues its commitment to continuous improvement for environmental management as outlined within its Environmental Management System Policy.

In 2015-16, 1,838 environmental management system (EMS) compliance inspections were conducted on harvesting operations (domestic/commercial), road building and maintenance activities, silviculture projects, and the insect and disease program activities. EMS brochures were provided to all domestic permit holders. Lead EMS officers within each Forest Management District received increased training. New contractors and permit holder employees were provided training and their role in EMS within the branch was explained. Emergency response plan testing for significant environmental impacts were carried out in every forest management district.

Agriculture and Agrifoods Development Fund

The Agriculture and Agrifoods Development Fund (AADF) was established to encourage the development, diversification and expansion of large-scale agricultural projects in either the primary or secondary processing sectors within Newfoundland and Labrador. It is intended to stimulate and attract large-scale investments in the industry. Funding priority is placed on projects that enhance competitive capability, support commercialization, expand market opportunities and create economic growth and employment in the agriculture and agrifoods industry. In 2015-16, AADF provided



\$750,000 to the Dairy Farmers of Newfoundland and Labrador to develop 252 acres of land on 20 dairy farms for forage production. In addition, \$500,000 was provided to the poultry industry to upgrade a secondary processing facility and enhance food security in the province.

Provincial Agrifoods Assistance Program

The Provincial Agrifoods Assistance Program (PAAP) provided financial assistance to farm businesses involved in primary production and secondary-processing activities.

In 2015-16, \$1,934,811 was provided for 110 projects, for land development and land development equipment, diversification, technology adoption, secondary processing, environmental stewardship and fruit and vegetable storage initiatives.

In 2015-16, \$446,077 was provided to farmers to clear and enhance new agricultural land. The program also supported community pastures across the province, maintaining and improving grazing conditions and fencing with contributions totaling \$107,327.

In 2015-16, \$57,803 was provided to eligible fruit and vegetable farms and processors for upgrades to facilities and equipment. Other projects were funded by the PAAP to enhance individual farm productivity and efficiency or allow for the implementation of new technologies that will improve farm sales growth, decrease labour or other expenses and result in improved profitability of farms in the province.



Growing Forward 2 Investments

Growing Forward 2 (GF2) is a five-year policy framework (2013-2018) agreement designed to achieve a profitable, sustainable, competitive and innovative agriculture, agri-foods and agri-products industry. Funding is cost-shared 60:40, federal - provincial respectively, and will invest \$37 million to the Newfoundland and Labrador agriculture and agrifoods.

In 2015-16, GF2 provided \$6.4 million for 192 projects. To address the industry's unique challenges and opportunities, the province delivers eight GF2 Initiatives: Agriculture Innovation, Future Farms, Environmental Sustainability, Food Safety, Biosecurity and Traceability, Market Development, Agriculture Land Development, Human Resource Development, and Business Development.

Through the Agriculture Innovation Initiative, GF2 contributed to projects to implement new or innovative production systems that enhanced competitiveness and industry capacity. Funding for one such project provided \$113,580 to Terra Nova Farms, for investment in a greens harvester. This innovative harvesting technology is a self-propelled unit with a wide cutting blade at the front of a conveyor system that moves the cut and sorted greens to harvest bins.



Through the Future Farms Initiative, GF2 contributed \$128,811 to the development, promotion and delivery of young farmer initiatives in Newfoundland and Labrador. This initiative was delivered through the Newfoundland and Labrador Federation of Agriculture and was successful in raising awareness of the Young Farmers' Forum, identifying a young farmers membership base, completing a training needs assessment and hosting a successful Young Farmers' Forum Leadership Summit.



GF2 also provided \$172,500 to Mark's Market, a vegetable producer, in the central region, for investment in a farm market facility. This project was supported by the Market Development Initiative and enabled the producer to enhance on-farm market development activities to promote locally-grown produce.

Forestry Industry Services Division - UAV Pilot Project



The Forest Engineering and Industry Services Division hired Resource Innovations Inc. to complete a pilot project related to the potential use of unmanned aerial vehicles (UAV) in forest management during the summer and fall of 2015. Focus included: harvesting inspections, bridge inspections, resource road layout and silviculture.

UAV provided the greatest benefit in cases where the ability to see the “big picture” or current condition was needed. For example, observing an entire potential harvest block to check for disturbances such as insect damage. UAV technology can also increase safety where tasks are required to be completed in high-risk situations. There are also potential financial benefits where a UAV may be utilized rather than hiring helicopter services.



Silviculture - Renewing the Forest for Future Generations

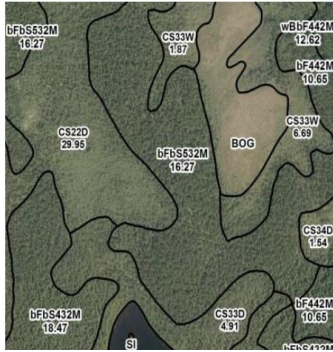


Central to the mandate of the agency is its commitment to forest sustainability through its core silviculture development program. The agency implements an annual province-wide silviculture program and facilitates the delivery of a parallel program by Corner Brook Pulp and Paper Limited (CBPPL) through a cost-sharing arrangement. The program is broadly comprised of two sub-programs, reforestation and forest improvement.

Reforestation covers a wide range of activities associated with the establishment of new forests. Tree seedlings are cultivated at the Provincial Tree Nursery in Grand Falls-Windsor and shipped throughout the province to establish new forests on sites that have failed to regenerate naturally. The silviculture program also conducts a variety of site preparation treatments to make planting possible. In 2015-16, the agency invested \$6.9 million in the annual silviculture program which resulted in the improvement of 7,300 hectares (ha) across Newfoundland and Labrador.



Provincial Forest Inventory Program – Significant Inventory Update



Forest inventory provides the vital information needed to manage and protect the province's forest ecosystems. In 2015-16, in-house staff photo interpreted approximately 400,000 hectares (ha) in Forest Management Districts 9 and 10 which completed the re-inventory of these districts. New geographic databases will be finalized early in 2016 for Districts 9 and 10. A contract to interpret 100,000 ha of Forest Management District 8 was tendered in 2015-16.

In addition to photography interpretation work, inventory field crews visited 650 timber stands collecting a wide range of timber and non-timber information that cannot be collected from aerial photography. Updated forest inventory information is central to the wood supply analysis that resets our sustainable harvest levels every five years, and to the planning of harvesting, silviculture, road building, fire and insect protection activities conducted by the agency.



Protecting the Forest Resource from Insect and Disease



The Insect & Disease Control Section (IDC) monitors and evaluates forest insect and disease conditions and their potential impact on the province's forests. It recommends, develops, implements and evaluates preventative or control actions as required.

In the summer of 2015, the Forestry Services Branch successfully protected 10,720 ha of forest land on the Northern Peninsula from severe damage that would have occurred as a result of high hemlock looper (HL) populations. The volume at risk was 1.46 million cubic metres. Another 669 ha of forest land on the Northern Peninsula was protected as part of an early intervention trial to reduce spruce budworm (SBW) populations that were at levels capable of escaping natural controls leading to an outbreak.

In the areas protected, the combination of aerial treatments with the biological insecticide B.t.k. along with poor weather in July resulted in the collapse of populations of these two major forest pests.

Investing in Agriculture Research and Development

The Provincial Agriculture Research and Development Program (PARDP) has taken a proactive, strategic approach to agriculture research and development through support of applied research projects. In 2015-16, \$1 million was provided to Provincial Government scientists to support agriculture research that is the driving force for growth and diversification in the agriculture sector in Newfoundland and Labrador.



Public sector research and development mitigates the risks associated with farm business innovation. Opportunities that have been realized this year due to the success of crop diversification research include the commercialization of six wine grape vineyards and advancements in livestock feed production, such that industry has adopted the practice of growing grain and will plant over 500 acres this year outside of the 181 acres being planted for the research program. Additionally, the successful establishment, harvest and quality of forage soybean indicates soybean may be a feasible crop to incorporate into crop rotations thus contributing to more sustainable cropping

systems and the assessment and production of nuclear and elite class seed potato to be planted at the Glenwood Seed Potato Farm to support potato producers of the province ensuring that potato varieties remain disease free and resistant to pests.

Another research focus this past year has been on diversification and health of the livestock industry. One recent initiative is the Berkshire pig production and market assessments. Through this assessment it has been realized that there is indeed a market for this heritage niche breed, however research will continue to improve production practices.

Collaborations with Memorial University of Newfoundland's main campus, Sir Wilfred Grenfell Campus, and industry are imperative to the future success of the PARDP applied research program. This collaboration increases the capacity and scope of our efforts and leverages additional funding. This year, over \$500,000 was leveraged from other funding research grants in addition to the industry in-kind contributions.



Forest Fire Management – Out of Province Deployments

2015-16 was considered to be a normal forest fire season in this province. The Forestry and Agrifoods Agency was able to assist fire suppression efforts in Western Canada with aircraft, equipment and personnel. These resources were made available through the Canadian Interagency Forest Fire Centre (Mutual Aid Resource Sharing Agreement), which enables provinces to share firefighting resources.

In July, a CL 415 air tanker, two pilots and an aircraft engineer with the Department of Transportation and Works Air Services Division were deployed to assist the province of Saskatchewan with its aerial suppression efforts. The air tanker was based out of Prince Alberta for two weeks and spent several days actioning ongoing forest fires in the region.



Forest fire fighters were also deployed to Saskatchewan for 19 days in July. The fire fighters were qualified, certified, and highly trained crew members that were able to meet all Type 1 crew member requirements for the out of province deployment. These requirements included completing all necessary educational training and successfully completing the required fitness tests.

Several staff members were also deployed as single resources serving as members of an Incident Management Team (IMT). Each of these people are highly trained and certified in their area of expertise within the Incident Command System (ICS). ICS is the standard system used by all provinces and agencies for managing wildfires.

The IMT positions deployed included;

- Liaison Officer (Manitoba),
- Logistics Section Chief (Saskatchewan),
- Supply Unit Leader (Alberta) and
- Situation Unit Leader (British Columbia).



Shared Commitments

The Forestry and Agrifoods Agency has legislative oversight for the following public bodies related to the forestry, agriculture and agrifoods sectors: Timber Scalers Board, Forest Land Tax Appeals Board, Chicken Farmers of Newfoundland and Labrador, Wooddale Land Development Advisory Authority, St. John's Urban Region Agricultural Appeal Board, St. John's Land Development Advisory Authority, Agricultural Land Consolidation Review Committee, Farm Industry Review Board, Newfoundland and Labrador Livestock Owners Compensation Board, Newfoundland and Labrador Crop Insurance Agency, and Newfoundland and Labrador Farm Products Corporation. See Appendix III for a listing of inactive forestry and agrifoods public bodies that report to the Minister responsible for the Forestry and Agrifoods Agency.

Report on Performance

This section of the Annual Performance Report details the significant work undertaken and completed by the agency on its goals during the 2015-16 planning period and progress toward achieving the goals of the agency's 2014-17 Strategic Plan.

Issue 1: Ensuring the Longevity of Our Forest and Agricultural Resources

The Forestry and Agrifoods Agency has worked throughout this fiscal year to implement programs and services to ensure forest and agricultural resources are healthy and viable for the long-term. Items such as becoming certified to the Environmental Management System ISO:14001:2004 standard, completing sophisticated resource analysis computer modeling and identifying and protecting future landbase areas for development are examples of how the agency is working to ensure sustainability of the resource. Agrifoods Development Branch and the Forestry Services Branch staff have worked to support enhanced utilization, sustainability and public awareness of the forestry, agriculture and agrifoods sectors through efforts to ensure resource sustainability. We will continue to move forward on initiatives in 2016-17.

Goal

By March 31, 2017, the Forestry and Agrifoods Agency will have advanced programs and initiatives to enhance the sustainability of the province's forestry and agriculture resources.

Objective

By March 31, 2016, the Forestry and Agrifoods Agency will have advanced programs and initiatives to ensure the sustainability of the forestry and agriculture resources.

Measure: Advanced programs and initiatives to ensure the sustainability of the forestry and agriculture resources.

2015-16 Indicators

1. Concluded a resource analysis that will provide sustainable annual allowable cut levels for forest management districts across the province.

One of the major initiatives undertaken in 2015-16 was the completion of a Provincial Timber Supply Review/Analysis as required under the *Forestry Act*. The analysis used the best science available, an updated resource database and nationally recognized forest projection models. It incorporated a wide range of objectives and constraints, and involved using inputs from the district planning exercises as well as the consideration of non-timber values,(such as maintenance of old growth forest, utilization of managed stands, larger watercourse buffers along salmon rivers, protection of rare plants and sensitive wildlife areas, as well as following Provincial Sustainable Forest Management Strategy guidelines surrounding large intact landscapes and caribou habitat).

The end result was sustainable Annual Allowable Cut (AACs) figures for both commercial industrial and domestic harvesting.

2. Completed external and internal auditing as required to advance the development of an Environmental Management System on Crown forestry operations in 2015-16.

Both internal and external auditing for 2015 was successfully completed. Forestry Services Branch completed the internal audits while an external certified auditor completed the external audit. The completion of these audits was a necessary element required to meet the requirements for the Environmental Management System certification and verifies that the EMS system is properly implemented and maintained. The external audit was carried out in two parts consisting of a stage one readiness audit and a stage two audit over a three-week period and commenced on November 13, 2015. On December 7, 2015, the Forestry Services Branch was successful in achieving certification to the Environmental Management System (EMS) to the international ISO 14001:2004 standard.

The internal audit itself was performed by staff from the Forestry Service Branch. The goal of the internal audit is to evaluate the effectiveness of the system and ensure the overall performance of the organization, the extent to which objectives and targets have been met and status of corrective and preventative actions fostering continuous improvement.

3. Advanced efforts to implement the Provincial Sustainable Forest Management Strategy.

The Forestry Services Branch has implemented the strategy in its forest management activities. The strategy is the guiding document for all district forest management planning activities. The Branch has also made significant advancements on completing the strategy's action items. An implementation plan has been finalized and nine of 18 action items planned for phase one (2014-2017) have been completed.

4. Refined the areas of interests (AOIs) for agricultural development and the status of their protection.

The Agrifoods Development Branch identified 65 Agricultural Areas of Interest totaling approximately 75,000 ha that are of significant agricultural importance based on soil capability, proximity to existing agricultural operations and the regional need for land. Discussions with the Forestry Services Branch continued in 2015-16 with several areas being adjusted and negotiated until a mutually beneficial agreement on boundaries and operations schedule was reached.

As a first step to preserve these areas for agricultural development, a request to have development activities on Crown limits within these areas be referred to the Agrifoods Development Branch was submitted to the Interdepartmental Land Use Committee (ILUC) for review. This resulted in all 65 areas being placed on the Land Use Atlas and designated as areas where development is subject to Agrifoods Development Branch review. As a result of the ILUC process, comments regarding land use conflicts were received from various government departments and agencies and will be used as a basis for moving forward with a more comprehensive protection framework for the AOI's into the future.

5. Advanced crop and livestock research.

The Provincial Agriculture Research and Development Program's research into crop and livestock diversification has led to significant advancements in the agriculture industry. Research into new crop varieties (grain, wine grapes, berries, and potatoes), management practices (rotational crops, nutrient management), livestock health and diversification (Berkshire pig, livestock diseases) has contributed to growth in the various sectors which demonstrate the opportunities for expansion that exist.

Objective, Measures and Indicators for 2016-17

Objective

By March 31, 2017, the Forestry and Agrifoods Agency will have improved programs and initiatives to ensure the sustainability of the forestry and agriculture resources.

Measure: Improved programs and initiatives to ensure the sustainability of the forestry and agriculture resources.

Indicators

- Continued to conduct internal audits and external surveillance audits to identify continuous improvement opportunities. Completed the required reporting requirements to maintain EMS certification to the 14001:2004 standard.
- Improved collection of weather related information through the installation of automated weather stations to be used in the management of forest insects and forest fires.
- Improved the crop research program through the introduction of canola trials for livestock sustainability.

Issue 2: Creating a Climate for Industry Sustainability, Growth and Diversification

The Forestry and Agrifoods Agency has taken a proactive approach towards sustainability, growth and diversification of our forestry, agriculture and agrifoods industries. Through intensive planning, advanced research activities and funding, the agency has worked hard on industry sustainability, growth and diversification. All of the divisions within the agency play an important role in creating a climate for optimum usage of our resources for industry growth.

Goal

By March 31, 2017, the Forestry and Agrifoods Agency will have advanced programs and services for the sustainability, expansion and diversification of the forestry and agriculture industries.

Objective

By March 31, 2016, the Forestry and Agrifoods Agency will have advanced programs and services to support the sustainability, growth and diversification of the Forestry, Agriculture and Agrifoods industries.

Measure: Advanced programs and services to support sustainability, growth and diversification of the Forestry, Agriculture and Agrifoods industries.

2015-16 Indicators

1. Completed Zone 5 planning (Central Newfoundland) and a five-year (2016 to 2020) operating plan will be in place January 1, 2016 which will provide sustainable fibre flow for existing and future forestry operations.

Forestry Services Branch advanced forest management programs and services with the completion of the Zone 5, five-year (2016-20) operating plan. This plan is in place and released under Environmental Assessment on February 8, 2016. This plan is for Forest Management Districts 10, 11, 12, and 13 and outlines the sustainable fibre flow for existing and future forestry operations in Zone 5 for the next five years. Successful negotiations with stakeholder groups to ensure a variety of stakeholder values were addressed which is key to the sustainability, growth and diversification of the forest industry.

2. Conducted research into solid wood products options that support a diversified and sustainable forest sector.

In 2015-16, the Ecosystem Sustainability and Research Centre for Forest Science and Innovation initiated collaborative research with Memorial University's School of Engineering and Sexton Lumber Co. Limited of Bloomfield. This phased analysis has been identifying the use of Black Spruce in engineered wood products. Engineered wood is also sometimes referred to as composite or human-made wood. It can involve a variety of manufacturing processes that change a natural wood product into something un-natural or engineered. Black Spruce lumber has been found to have above-average wood strength properties. In this particular project, natural Black Spruce lumber that is

rejected through the manufacturing process is analyzed through an engineered process that joins or “finger-joints” similar pieces together while maintaining strength and marketable requirements. The project continues with a strong focus now on finger-jointed and other straight structural product production such as I-beams.

3. Continued delivery of Growing Forward 2, Agriculture and Agrifoods Development Fund and Provincial Agrifoods Assistance Program.

Growing Forward 2 is a federal-provincial, cost-shared program which provides funding to support innovation, competitiveness and sustainability in the province’s agriculture and agrifoods industry. In 2015-16, Growing Forward 2 provided \$6.4 million to producers and industry association to complete 192 projects.

The Agriculture and Agrifoods Development Fund (AADF) was established to encourage the development, diversification, and expansion of large-scale agricultural projects and is intended to stimulate and attract large-scale investment in the industry. In 2015-16 AADF provided \$1,250,000 to the dairy and poultry industries for land development to increase forage production and the upgrade of a secondary processing facility to enhance food safety.

The Provincial Agrifoods Assistance Program provides financial assistance to agricultural businesses that will improve the economic viability, promote growth and enhance the competitiveness of the provincial agricultural industry. In 2015-16, \$1,934,811 was provided for 110 projects.

4. Advanced nutrient management planning.

Financial support through Growing Forward 2 in 2014-15 provided for consultant nutrient management planning on five farms in 2015-16. The Land Resources Stewardship Division filled the vacant Soil Fertility Specialist position on March 28, 2016 advancing nutrient management advisory services to the agriculture industry.

Objective, Measure and Indicators for 2016-17

Objective

By March 31, 2017, the Forestry and Agrifoods Agency will have improved programs and services to support the sustainability, growth and diversification of the forestry, agriculture and agrifoods industries.

Measure: Improved programs and services to support the sustainability, growth and diversification of the forestry, agriculture and agrifoods industries.

Indicators

- Developed and submitted for Environmental Assessment new five-year operating plans for:
 - Forest Management Districts 21 and 22 in Labrador;
 - Districts 1 (zone1);
 - Districts 2, 3 (zone 2);
 - Districts 4,5,6, 8 (zone 3) and
 - Districts 16, 17 (zone 7).

These new plans will continue to provide sustainable fibre flow for existing and future forestry operations.

- Continued delivery of Growing Forward 2 and Provincial Agrifoods Assistance Program.
- Improved timelines and more efficient nutrient management and limestone advisory services through the Soil Fertility Specialist.
- Decreased soil drying time with improvements to equipment in the Soil, Plant and Feed Laboratory for efficient operations to the agriculture industry.

Issue 3: Building Greater Awareness of the Forestry and Agriculture Sectors

Building greater awareness of the forestry and agriculture sectors is an important role for the agency. Knowledge, awareness and understanding of both sectors are important to ensure continued support and sustainability. These primary resource sectors are important elements for the well-being of the entire province. Through community involvement, agency staff have provided education and awareness to residents with a strong focus on youth engagement.

Goal

By March 31, 2017, the Forestry and Agrifoods Agency will have supported initiatives to build greater awareness and education of our forestry and agriculture sectors.

Objective

By March 31, 2016, the Forestry and Agrifoods Agency will have continued to enhance initiatives to build awareness of our sectors.

Measure: Continued to enhance initiatives to build awareness of our sectors.

2015-16 Indicators

1. Supported National Forest Week activities.

The FSB supported National Forest Week through several initiatives. The National Forest Week webpage was expanded and an online marketing plan was initiated. A province-wide advertising campaign was undertaken in an attempt to promote provincial activities. Various public events occurred in many forestry districts, including open houses, tree plantings, trade show appearances and school visits. Explore Forestry Day in Corner Brook was expanded and local forest sector businesses were invited to participate. Marketing for the annual National Forest Week Calendar Contest was expanded, which saw a 12 percent increase in the number of student submissions. A National Forest Week letter of awareness was distributed to all forest sector businesses.

2. Provided forestry awareness education throughout the province.

In 2015-16, the Public Relations Committee undertook an internal assessment of the Forestry Services Branch and a new strategic approach for public education and awareness was developed. A public relations plan was initiated that focused on increasing awareness and understanding of the Forest Service and educating audiences on the importance of effective forest management in maintaining our forest ecosystem.

In 2015, activities and initiatives around National Forest Week were enhanced as discussed below with a national focus on wildfire prevention.

An online and social media plan was developed and in 2015 the Forestry and Agrifoods Agency enhanced its online presence with a new website and up-to-date content. This included new information on the Environmental Management System, wildfire

prevention, inventory and planning process and an interactive online map of all office locations.

Conservation Officers continued to provide forestry awareness education by participating in various local events and hosting a variety of activities in the province. This included:

- Smokey Bear's participation in the annual Teddy Bear Convoy;
- City of St. John's National Tree Day Celebrations;
- Local school presentations;
- Participating in local Come Home Celebrations;
- Open house events at various district offices;
- Involvement in local Santa Claus Parades, and
- Hosting local tree plantings with Scouts Canada groups.

Participation in various agriculture fairs across the province provided forestry awareness to the public. These fairs included the Trinity Conception Agriculture and Home Craft Fair, the Humber Valley Agricultural Fall Fair and the Corner Brook Home and Garden Show.

Forestry Services, Centre for Forest Science and Innovation sponsored the 2015 NEWLEEF Green Economy Conference which provided an opportunity to promote and educate audiences on the new and innovative use of wood and wood products.

3. Continued to build agriculture awareness through venues to reach various agriculture audiences including young farmers, school-aged children and the public.

Growing Forward 2 provided \$128,811 to the Newfoundland and Labrador Federation of Agriculture (NLFA) to deliver the Newfoundland and Labrador Young Farmers' Forum to promote awareness of the agriculture and agrifoods industry. This project has developed a membership base of approximately 90 members, compiled a training needs assessment, designed and delivered workshops and hosted a Young Farmers Leadership Summit in November, 2015.

Growing Forward 2 also provided \$132,978 to the Newfoundland and Labrador Federation of Agriculture to host the province's largest agriculture show in Corner Brook in October, 2015. The show included 16 exhibitors and 19 education/resource booths. It featured food demonstrations, a petting farm, fresh local food, an elementary school spelling bee and Moo-nica the Milking Cow. The show attracted over 5,100 visitors.

With a Growing Forward 2 contribution of \$292,253, the federation delivered the Agriculture in the Classroom (AITC) Program. AITC focuses on increasing awareness in agriculture through exposing school-aged children to the agriculture industry. In 2015-16, AITC-NL directly engaged 14,000 students through various events, including the Little Green Thumbs (LGT) Program, Canadian Agriculture Literacy Week and Rooting for Health. The Little Green Thumbs Program initiated 102 classroom gardens in 55 schools and was supported by 147 participant teachers and 35 industry mentors.

4. Increased awareness of the importance of our soil resource through a soil symposium.

In celebration of the 2015 International Year of Soils, a symposium was proposed, organized and funded by Growing Forward 2.

Researchers, scientists, industry representatives and farmers gathered in Corner Brook Oct. 13-14 for the Soil Health for Sustainable Life Symposium with topics including impacts of weather, soil ecology, fertility, agriculture erosion and soil mapping. Much of the discussion was specific to Newfoundland and Labrador and its unique landscape, climate, geology and agriculture.

The Forestry and Agrifoods Agency has been offering a number of crucial programs and services in the area of land resource stewardship including, soil survey program, soil mapping and geospatial data management program, soil fertility program, laboratory service program and agricultural limestone program to help farmers and other clients obtain and manage the soil resource.

5. Increased awareness of the Real Property Tax Exemption Program.

The Real Property Tax Exemption Program continued as legislated in 2015-2016. Informal discussions with several larger municipalities around their needs and ways to improve the program took place. Further to this were presentations to agency extension staff and New Entrants (Young Farmers Forum) aimed to increase awareness and participation.

Objective, Measure and Indicators for 2016-17

Objective

By March 31, 2017, the Forestry and Agrifoods Agency will have advanced initiatives to build awareness of our sectors.

Measure: Advanced initiatives to build awareness of our sectors.

Indicators

- Supported National Forest Week Activities.
- Continued forestry and agriculture awareness initiatives throughout the province.

Opportunities and Challenges

There are opportunities and challenges for the agriculture, agrifoods and forest industries moving forward for 2016-17. The role of the Department of Fisheries, Forestry and Agrifoods is to ensure sustainability of our resources and facilitate growth within our industries.

The Agriculture and Agrifoods Industry

There are opportunities to expand the agriculture and agrifoods industry in Newfoundland and Labrador. The Agrifoods Development Branch through its staff, programs and services promote and support our agriculture and agrifoods industry. The agriculture industry also faces challenges in increasing local agriculture production in an economically and sustainable manner to ensure the optimal benefits to the agricultural community. As directed by the Minister's December 2015 mandate letter, the Agrifoods Development Branch is currently working on a new food security and agriculture growth strategy which will guide the agency's programs and services in the future.

The Forest Industry

The forest resource is managed sustainably and therefore provides opportunities to fulfill multiple values over the long term. Achievements such as obtaining Environmental Management System certification provide added marketing opportunities of wood products originating from the province. There is continued opportunity to research new innovated products that utilize the timber resource as well as support existing ventures into the future.

With opportunities come challenges including the identification of the best use for the forest resource. Maintaining a competitive advantage for the existing forest sector and attracting new investments can be challenging in global market. The agency is developing a forest sector strategy to support economic growth and opportunities in the forest sector.

Appendix I: Legislation

Forestry and Agrifoods

1. ***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.
2. ***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.
3. ***Forestry Protection Act.*** An act to provide for the establishment and maintenance of a forest protection association in the province.
4. ***Forestry Act.*** An act respecting the management, harvesting, and protection of the forests of the province.
5. ***Motorized Snow Vehicles and All-Terrain Vehicles Act.*** An act respecting all-terrain vehicles.
6. ***Agrologists Act.*** An act establishing the Newfoundland and Labrador Institute of Agrologists. The act outlines the objectives, structure, operation and membership of the Institute.
7. ***Animal Health and Protection Act.*** An act respecting the health and protection of animals.
8. ***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.
9. ***Farm Practices Protection Act.*** An act respecting the protection of farm practices in the province.
10. ***Farm Products Corporation Act.*** An act respecting the administration of Farm Products Corporation.
11. ***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.
12. ***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.

13. **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.
14. **Plant Protection Act.** An act respecting the protection of plants and the prevention of the spread of pests and diseases destructive to vegetation.
15. **Poultry and Poultry Products Act.** An act respecting poultry and poultry products such as chicken and eggs.
16. **Vegetable Grading Act.** An act respecting the grading of certain products of agriculture in the province.
17. **Veterinary Medical Act.** An act to revise the law about veterinary medicine.

Appendix II: Statement of Revenues and Expenditures

The Report on the Program Expenditures and Revenues of the Consolidated Revenue fund presented are based on information recorded in Government's Financial Management System (FMS), supplemented by information provided by departments relating to the 2015-16 fiscal year as of 10 June 2016, the completion date of this report. Any significant adjustments affecting the revenues and expenditures presented herein which may be identified subsequent to this completion date will be reflected in the appropriate schedule in the audited Public Accounts Consolidated Financial Statements.

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS
Statement of Expenditure and Related Revenue
FOR THE YEAR ENDED 31 MARCH 2016

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
EXECUTIVE AND SUPPORT SERVICES			
GENERAL ADMINISTRATION			
<i>CURRENT</i>			
1.1.01. EXECUTIVE SUPPORT			
01. Salaries	478,828	480,100	445,100
Operating Accounts:			
<i>Employee Benefits</i>	1,336	1,000	1,000
<i>Transportation and Communications</i>	83,882	146,600	146,600
<i>Supplies</i>	3,731	5,500	5,500
<i>Purchased Services</i>	8,236	2,900	2,900
<i>Property, Furnishings and Equipment</i>	4,819	300	300
02. Operating Accounts	102,004	156,300	156,300
Total: Executive Support	580,832	636,400	601,400
<i>CAPITAL</i>			
1.1.02. ADMINISTRATIVE SUPPORT			
Operating Accounts:			
<i>Property, Furnishings and Equipment</i>	219,153	219,300	219,300
02. Operating Accounts	219,153	219,300	219,300
Total: Administrative Support	219,153	219,300	219,300
TOTAL: GENERAL ADMINISTRATION	799,985	855,700	820,700
TOTAL: EXECUTIVE AND SUPPORT SERVICES	799,985	855,700	820,700

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
		\$	\$
FOREST MANAGEMENT			
FOREST MANAGEMENT			
<i>CURRENT</i>			
2.1.01. ADMINISTRATION AND PROGRAM PLANNING			
01. Salaries	5,005,167	5,286,100	5,313,800
Operating Accounts:			
<i>Employee Benefits</i>	175,927	61,000	61,000
<i>Transportation and Communications</i>	788,305	1,392,100	1,392,100
<i>Supplies</i>	194,629	304,900	304,900
<i>Professional Services</i>	314,892	284,600	284,600
<i>Purchased Services</i>	935,930	1,502,100	1,502,100
<i>Property, Furnishings and Equipment</i>	112,521	85,200	85,200
02. Operating Accounts	2,522,204	3,629,900	3,629,900
10. Grants and Subsidies	836,341	844,200	844,200
Total: Administration and Program Planning	8,363,712	9,760,200	9,787,900
2.1.02. OPERATIONS AND IMPLEMENTATION			
01. Salaries	8,869,880	8,869,900	8,564,800
Operating Accounts:			
<i>Employee Benefits</i>	3,017	1,000	1,000
<i>Transportation and Communications</i>	525,289	732,800	703,100
<i>Supplies</i>	901,264	842,500	827,500
<i>Professional Services</i>	7,313	5,300	5,300
<i>Purchased Services</i>	568,757	447,200	447,200
<i>Property, Furnishings and Equipment</i>	31,191	100,000	100,000
02. Operating Accounts	2,036,831	2,128,800	2,084,100
Total: Operations and Implementation	10,906,711	10,998,700	10,648,900
2.1.03. SILVICULTURE DEVELOPMENT			
01. Salaries	3,116,737	3,464,400	3,405,800
Operating Accounts:			
<i>Employee Benefits</i>	718	-	-
<i>Transportation and Communications</i>	328,826	191,000	191,000
<i>Supplies</i>	469,571	679,000	679,000
<i>Professional Services</i>	15,400	-	-
<i>Purchased Services</i>	3,055,340	3,814,800	3,814,800
<i>Property, Furnishings and Equipment</i>	97,617	124,500	124,500
02. Operating Accounts	3,967,472	4,809,300	4,809,300
	7,084,209	8,273,700	8,215,100
02. Revenue - Provincial	(11,390)	(1,000)	(1,000)
Total: Silviculture Development	7,072,819	8,272,700	8,214,100

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
FOREST MANAGEMENT			
FOREST MANAGEMENT			
<i>CAPITAL</i>			
2.1.04. RESOURCE ROADS CONSTRUCTION			
01. Salaries	235,946	236,300	131,300
Operating Accounts:			
<i>Transportation and Communications</i>	13,942	32,100	32,100
<i>Supplies</i>	90,959	572,100	648,600
<i>Purchased Services</i>	3,639,979	3,148,300	3,164,400
<i>Property, Furnishings and Equipment</i>	611	5,000	5,000
02. Operating Accounts	3,745,491	3,757,500	3,850,100
10. Grants and Subsidies	18,400	18,600	18,600
Total: Resource Roads Construction	3,999,837	4,012,400	4,000,000
TOTAL: FOREST MANAGEMENT	30,343,079	33,044,000	32,650,900
FOREST PROTECTION			
<i>CURRENT</i>			
2.2.01. INSECT CONTROL			
01. Salaries	536,654	551,800	904,200
Operating Accounts:			
<i>Employee Benefits</i>	355	6,500	6,500
<i>Transportation and Communications</i>	854,867	931,000	641,000
<i>Supplies</i>	503,514	615,100	615,100
<i>Professional Services</i>	37,232	100,000	100,000
<i>Purchased Services</i>	150,084	312,100	312,100
<i>Property, Furnishings and Equipment</i>	183,473	209,000	59,000
02. Operating Accounts	1,729,525	2,173,700	1,733,700
10. Grants and Subsidies	6,000	6,000	6,000
Total: Insect Control	2,272,179	2,731,500	2,643,900

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
FOREST MANAGEMENT			
FOREST PROTECTION			
<i>CURRENT</i>			
2.2.02 FIRE SUPPRESSION AND COMMUNICATIONS			
01. Salaries	2,422,672	2,511,800	2,312,000
Operating Accounts:			
<i>Employee Benefits</i>	905	-	-
<i>Transportation and Communications</i>	631,240	1,060,500	1,060,500
<i>Supplies</i>	308,998	403,700	403,700
<i>Purchased Services</i>	148,561	126,000	126,000
<i>Property, Furnishings and Equipment</i>	89,501	39,000	39,000
02. Operating Accounts	1,179,205	1,629,200	1,629,200
10. Grants and Subsidies	22,654	30,400	30,400
Total: Fire Suppression and Communications	3,624,531	4,171,400	3,971,600
TOTAL: FOREST PROTECTION	5,896,710	6,902,900	6,615,500
TOTAL: FOREST MANAGEMENT	36,239,789	39,946,900	39,266,400
AGRIFOODS DEVELOPMENT			
LAND RESOURCE STEWARDSHIP			
<i>CURRENT</i>			
3.1.01. LAND RESOURCE STEWARDSHIP - ADMINISTRATION			
01. Salaries	1,718,216	1,736,100	1,841,500
Operating Accounts:			
<i>Employee Benefits</i>	425	9,000	9,000
<i>Transportation and Communications</i>	93,106	110,100	110,100
<i>Supplies</i>	72,268	91,800	91,800
<i>Professional Services</i>	7,376	10,300	10,300
<i>Purchased Services</i>	48,036	66,000	66,000
<i>Property, Furnishings and Equipment</i>	11,755	36,400	36,400
02. Operating Accounts	232,966	323,600	323,600
	1,951,182	2,059,700	2,165,100
02. Revenue - Provincial	(16,711)	(33,000)	(33,000)
Total: Land Resource Stewardship - Administration	1,934,471	2,026,700	2,132,100

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
AGRIFOODS DEVELOPMENT			
LAND RESOURCE STEWARDSHIP			
<i>CURRENT</i>			
3.1.02. LIMESTONE SALES			
Operating Accounts:			
<i>Supplies</i>	408,694	411,800	411,800
02. Operating Accounts	408,694	411,800	411,800
02. Revenue - Provincial	(119,200)	(140,000)	(140,000)
Total: Limestone Sales	289,494	271,800	271,800
<i>CAPITAL</i>			
3.1.03. LAND DEVELOPMENT			
Operating Accounts:			
<i>Transportation and Communications</i>	279	-	-
<i>Supplies</i>	4,218	-	-
<i>Professional Services</i>	99,060	150,000	150,000
<i>Purchased Services</i>	357,617	500,000	500,000
<i>Property, Furnishings and Equipment</i>	1,512,084	1,550,000	1,550,000
02. Operating Accounts	1,973,258	2,200,000	2,200,000
Total: Land Development	1,973,258	2,200,000	2,200,000
TOTAL: LAND RESOURCE STEWARDSHIP	4,197,223	4,498,500	4,603,900

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
AGRIFOODS DEVELOPMENT			
PRODUCTION AND MARKET DEVELOPMENT			
<i>CURRENT</i>			
3.2.01. PRODUCTION AND MARKET DEVELOPMENT - ADMINISTRATION			
01. Salaries	1,286,695	1,286,900	1,241,400
Operating Accounts:			
<i>Employee Benefits</i>	1,730	6,700	6,700
<i>Transportation and Communications</i>	111,395	144,000	139,000
<i>Supplies</i>	133,322	114,800	114,800
<i>Professional Services</i>	41,635	40,000	40,000
<i>Purchased Services</i>	301,222	273,400	273,400
<i>Property, Furnishings and Equipment</i>	35,277	63,200	63,200
02. Operating Accounts	624,581	642,100	637,100
10. Grants and Subsidies	785,296	813,500	813,500
	<u>2,696,572</u>	<u>2,742,500</u>	<u>2,692,000</u>
02. Revenue - Provincial	(6,362)	(54,700)	(54,700)
Total: Production and Market Development - Administration	<u>2,690,210</u>	<u>2,687,800</u>	<u>2,637,300</u>
3.2.02. MARKETING BOARD			
01. Salaries	72,149	89,600	89,600
Operating Accounts:			
<i>Employee Benefits</i>	-	300	300
<i>Transportation and Communications</i>	14,173	17,900	17,900
<i>Supplies</i>	660	2,200	2,200
<i>Professional Services</i>	37,765	39,000	45,000
02. Operating Accounts	52,598	59,400	65,400
Total: Marketing Board	<u>124,747</u>	<u>149,000</u>	<u>155,000</u>
TOTAL: PRODUCTION AND MARKET DEVELOPMENT	<u>2,814,957</u>	<u>2,836,800</u>	<u>2,792,300</u>

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
AGRIFOODS DEVELOPMENT			
AGRICULTURAL BUSINESS DEVELOPMENT			
<i>CURRENT</i>			
3.3.01. AGRICULTURAL BUSINESS DEVELOPMENT - ADMINISTRATION			
01. Salaries	1,485,231	1,501,300	1,552,400
Operating Accounts:			
<i>Employee Benefits</i>	2,524	3,500	3,500
<i>Transportation and Communications</i>	93,863	129,100	129,100
<i>Supplies</i>	61,129	66,700	66,700
<i>Professional Services</i>	680	18,000	18,000
<i>Purchased Services</i>	60,662	57,700	57,700
<i>Property, Furnishings and Equipment</i>	2,841	10,000	10,000
02. Operating Accounts	221,699	285,000	285,000
09. Allowances and Assistance	17,959	20,000	20,000
10. Grants and Subsidies	140,000	140,000	140,000
Total: Agricultural Business Development - Administration	1,864,889	1,946,300	1,997,400
3.3.02. AGRINSURANCE AND LIVESTOCK INSURANCE			
01. Salaries	229,236	243,900	240,400
Operating Accounts:			
<i>Employee Benefits</i>	670	4,000	4,000
<i>Transportation and Communications</i>	21,035	25,900	25,900
<i>Supplies</i>	10,529	13,400	13,400
<i>Professional Services</i>	2,100	5,000	5,000
<i>Purchased Services</i>	6,461	5,000	5,000
<i>Property, Furnishings and Equipment</i>	164	4,000	4,000
02. Operating Accounts	40,959	57,300	57,300
10. Grants and Subsidies	175,144	179,300	129,300
	445,339	480,500	427,000
01. Revenue - Federal	(276,083)	(210,000)	(210,000)
Total: Agrilnsurance and Livestock Insurance	169,256	270,500	217,000
3.3.03. AGRICULTURE INITIATIVES			
10. Grants and Subsidies	1,934,811	2,250,000	2,250,000
01. Revenue - Federal	(31,242)	-	-
Total: Agricultural Initiatives	1,903,569	2,250,000	2,250,000

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
AGRIFOODS DEVELOPMENT			
AGRICULTURAL BUSINESS DEVELOPMENT			
<i>CURRENT</i>			
3.3.04. AGRICULTURE AND AGRIFOODS DEVELOPMENT FUND			
10. Grants and Subsidies	<u>1,250,000</u>	<u>2,135,000</u>	<u>2,550,000</u>
Total: Agricultural and Agrifoods Development Fund	<u>1,250,000</u>	<u>2,135,000</u>	<u>2,550,000</u>
3.3.05 GROWING FORWARD 2 FRAMEWORK			
01. Salaries	674,275	722,600	713,800
Operating Accounts:			
<i>Employee Benefits</i>	3,111	7,000	7,000
<i>Transportation and Communications</i>	28,258	71,200	71,200
<i>Supplies</i>	22,178	62,000	62,000
<i>Professional Services</i>	40,000	28,000	28,000
<i>Purchased Services</i>	76,830	60,000	60,000
<i>Property, Furnishings and Equipment</i>	3,762	18,000	18,000
02. Operating Accounts	174,139	246,200	246,200
10. Grants and Subsidies	6,464,009	7,254,100	7,304,100
	<u>7,312,423</u>	<u>8,222,900</u>	<u>8,264,100</u>
01. Revenue - Federal	(3,219,099)	(4,493,500)	(4,493,500)
02. Revenue - Provincial	-	(10,000)	(10,000)
Total: Growing Forward 2 Framework	<u>4,093,324</u>	<u>3,719,400</u>	<u>3,760,600</u>
TOTAL: AGRICULTURAL BUSINESS DEVELOPMENT	<u>9,281,038</u>	<u>10,321,200</u>	<u>10,775,000</u>

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

	Actual	Estimates	
		Amended	Original
	\$	\$	\$
AGRIFOODS DEVELOPMENT			
ANIMAL HEALTH			
<i>CURRENT</i>			
3.4.01 ADMINISTRATION AND SUPPORT SERVICES			
01. Salaries	2,377,541	2,378,100	2,183,700
Operating Accounts:			
<i>Employee Benefits</i>	1,140	10,500	10,500
<i>Transportation and Communications</i>	97,184	155,400	145,400
<i>Supplies</i>	739,021	851,600	524,600
<i>Professional Services</i>	5,250	70,000	70,000
<i>Purchased Services</i>	310,686	271,900	206,900
<i>Property, Furnishings and Equipment</i>	90,410	22,000	22,000
02. Operating Accounts	1,243,691	1,381,400	979,400
10. Grants and Subsidies	144,061	146,500	133,500
	<u>3,765,293</u>	<u>3,906,000</u>	<u>3,296,600</u>
02. Revenue - Provincial	(943,568)	(680,000)	(680,000)
Total: Administration and Support Services	<u>2,821,725</u>	<u>3,226,000</u>	<u>2,616,600</u>
TOTAL: ANIMAL HEALTH	<u>2,821,725</u>	<u>3,226,000</u>	<u>2,616,600</u>
AGRIFOODS RESEARCH AND DEVELOPMENT			
<i>CURRENT</i>			
3.5.01. RESEARCH AND DEVELOPMENT			
01. Salaries	519,281	539,900	521,100
Operating Accounts:			
<i>Employee Benefits</i>	1,016	-	-
<i>Transportation and Communications</i>	85,225	96,000	80,000
<i>Supplies</i>	191,492	200,000	200,000
<i>Professional Services</i>	21,055	35,000	35,000
<i>Purchased Services</i>	51,058	35,000	35,000
<i>Property, Furnishings and Equipment</i>	55,867	57,800	57,800
02. Operating Accounts	405,713	423,800	407,800
Total: Research and Development	<u>924,994</u>	<u>963,700</u>	<u>928,900</u>
TOTAL: AGRIFOODS RESEARCH AND DEVELOPMENT	<u>924,994</u>	<u>963,700</u>	<u>928,900</u>
TOTAL: AGRIFOODS DEVELOPMENT	<u>20,039,937</u>	<u>21,846,200</u>	<u>21,716,700</u>
TOTAL: DEPARTMENT	<u>57,079,711</u>	<u>62,648,800</u>	<u>61,803,800</u>

REPORT ON THE PROGRAM EXPENDITURES AND REVENUES OF THE CONSOLIDATED FUND

DEPARTMENT OF FORESTRY AND AGRIFOODS

Summary of Gross Expenditure and Unexpended Balances

	\$
Original estimates (net)	61,803,800
Add (subtract) transfers of estimates	845,000
Addback revenue estimates net of transfers	<u>5,622,200</u>
Original estimates of expenditure	68,271,000
Supplementary supply	-
Total Appropriation	<u>68,271,000</u>
Total net expenditure	57,079,711
Add revenue less transfers and statutory payments	<u>4,623,655</u>
Total gross expenditure (budgetary, non-statutory)	<u>61,703,366</u>
Unexpended balance of appropriation	<u><u>6,567,634</u></u>

Summary of Cash Payments and Receipts

	<u>Payments</u>	<u>Receipts</u>	<u>Net</u>
	\$	\$	\$
Current Account	55,511,118	4,623,655	50,887,463
Capital Account	<u>6,192,248</u>	-	<u>6,192,248</u>
Totals	<u><u>61,703,366</u></u>	<u><u>4,623,655</u></u>	<u><u>57,079,711</u></u>

JAMES EVANS
Chief Executive Officer
Forestry and Agrifoods Agency

Appendix III: Inactive Entities Reporting to the Minister

The following Category 3 public bodies that report to the Minister Responsible for Forestry and Agrifoods Agency were inactive for the period April 1, 2015 to March 31, 2016. In the event that one of these public bodies becomes active, it will prepare and table an activity plan and subsequent annual performance report in compliance with the *Transparency and Accountability Act*.

Forest Land Tax Appeals Board

The Forest Land Tax Appeals Board was created pursuant to the *Forestry Act (1990)*. The mandate of the 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.

Timber Scalers Board

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

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.

