

## 2021/22 Estimates Debate Index

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

TAB	GOAL	LEAD
<b>A</b>	<b>Budget</b>	
1.	Budget 2021 Summary	CSNR
2.	2021/22 Budget Day briefing package	CSNR
3.	2021/22 – 2023/24 FLNR Service Plan	Assoc DMO
4.	Columbia Basin Trust and Columbia Power Corporation Background Information	EMLI
5.	BC Timber Sales 2020-21 Performance	BCTS
6.	COVID-19 related expenses	CSNR
7.	Authorizations	CSNR
8.	Youth Corp	CSNR
9.	Log Export Uplift	CSNR
10.	Revenue	CSNR
11.	Explanation of Revenue Changes	CSNR
12.	Ministry Revenue Summary and Ministry Revenue Detail	CSNR
13.	Old Growth Budget	CSNR
14.	Estimates Vote and Special Account Appropriation	CSNR
15.	Minister's Office Budget	CSNR
<b>B</b>	<b>Economic Benefits for all British Columbians with Strong and Resilient Rural Communities</b> <i>Create conditions that support a vibrant and healthy provincial economy through the forest sector and promote resilience to ensure support through economic disruption and natural hazard events</i>	
<b>Strengthen rural community economies, support recovery and build resilience to economic disruption</b>		
16.	Economic Recovery report out	CSNR
17.	Crown Land Lease Rates, incl Commercial Rent Relief	ROTE
18.	Forest Worker Support Programs	ROTE
19.	Contractor Sustainability Review	ROTE
20.	Economic Supports for Guide Outfitters	RSD
21.	COVID-19 and Hunting	RSD
<b>Revitalize the B.C. forest economy and support an innovative, sustainable forest sector</b>		
22.	Intentions Paper to Modernize Forest Policy	DMO
23.	Communities who have requested new or expanded Community Forest Agreements	DMO
24.	Forest Sector Competitiveness	FPIRD
25.	Economic State of the BC Forest Sector – 2020 Review	FPIRD
26.	Coast Forest Sector Revitalization	FPIRD
27.	Interior Forest Sector Renewal Process	FPIRD
28.	Mass Timber – Updating the <i>Wood First Act</i>	FPRID
29.	Investments in BC Mills	FPIRD

## 2021/22 Estimates Debate Index

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

TAB	GOAL	LEAD
30.	Improving the <i>Forest and Range Practices Act</i>	OCF
31.	Mackenzie Forestry and Coalition Process	NORTH
32.	Bill 22 Forest Agreement Transfers (including Peak/Canfor)	ROTE
33.	Stumpage: a) General b) Changes c) Forecast d) Alberta e) Minimum Stumpage f) Detailed Statistics g) Deferral during COVID-19 h) End Product Pricing	FPIRD
34.	Log Exports: a) General b) Fee in Lieu c) Manufactured Forest Products Regulation	FPIRD
35.	Disposition Agreements and Reduced Volume Condition Licenses	BCTS
36.	Spruce Beetle	NORTH/OCF
37.	Forestry in the North Area Timber Supply Areas	North
<b>Improve community resilience through proactive and collaborative natural hazard management</b>		
38.	Approach to 2021 Fire Season	BCWS
39.	Community Resiliency Investment Program	BCWS
<b>C</b>	<b>Partnerships that Support Reconciliation with Indigenous Peoples</b> <i>Take actions to increase opportunities for collaboration in the stewardship and economic development of B.C.'s land, natural and cultural resources</i>	
40.	Implementation of the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) and the Declaration on the Rights of Indigenous Peoples Act (DRIPA)	FPIRD
41.	Revenue Sharing with First Nations	FPIRD
42.	Government to Government Agreements with Indigenous Peoples	FPIRD
43.	Wildlife Act Amendments to support reconciliation	RSD
44.	Strategic Funding Envelope	FPIRD
45.	Collaborative Stewardship Framework	RSD
46.	Carrier Sekani First Nation Tenure Negotiations and Pathways	North
47.	Wet'suwet'en Land Use Plan	NORTH

## 2021/22 Estimates Debate Index

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

TAB	GOAL	LEAD
48.	Xeni Gewt'in (XG) Declared Title Lands (DTA) Tenure Transition	SOUTH
49.	Gitxsan FN Fishing Closures	NORTH
<b>D</b>	<b>Sustainable Natural Resource Management</b> <i>Deliver on stewardship responsibilities in the best interests of the citizens of the Province</i>	
50.	Coastal Marine Development Strategy + Q&A document	COAST
51.	COVID-19 Inspections	IROD
52.	Land Based Investment Strategy	RSD
53.	Modernized Land Use Planning – Budget and Priorities	RSD
54.	Land Use Planning in the North	North
<b>Improve wildlife management, protect wildlife habitat, and support the recovery of species at risk</b>		
55.	Wildlife and Habitat Management – Budget	RSD
56.	Together for Wildlife and Minister's Wildlife Advisory Council	RSD
57.	Moose calf-cow harvest management	RSD
58.	Wildlife Act Regulatory Amendment Enabling Aerial Predator Management	RSD
59.	Grizzly Bear Management and Grizzly Bear Viewing Strategy	RSD
60.	Tahltan Wildlife Accord	RSD/NORTH
61.	Management of the Conservation Lands Program Audit	RSD
62.	Steelhead	RSD
63.	Caribou Recovery Plan	RSD/NORTH
64.	Spotted Owl and Part 13 Impacts	RSD/COAST
65.	Nature Agreement	RSD
66.	SARR General (Alignment with Canada)	RSD
67.	Transition of finfish aquaculture operations from the Discovery Islands + Q&A document	COAST
<b>Revitalize and protect B.C.'s forests, and strengthen climate change mitigation and adaptation activities to benefit all British Columbians</b>		
68.	Old Growth, Carbon and Climate Change Mitigation	OCF
69.	CleanBC and Forests	OCF
70.	Silviculture Investments in BCs Forests	OCF
71.	Old Growth Deferrals	RSD
72.	Old Growth on Vancouver Island	COAST
73.	Old Growth Report Implementation and timeline	RSD
74.	Old Growth regarding Conservation North	NORTH
75.	Forest Act Part 13 – summarize the tool and recent use	DMO

## 2021/22 Estimates Debate Index

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

TAB	GOAL	LEAD
76.	Special Tree Protection Regulation	OCF
77.	Glyphosate Use in BC	OCF
<b>E</b>	<b>Additional Ministry Issues</b>	
78.	Plan for New Ministry	LNRO Secretariat
79.	Permitting Strategies	Assoc DM
80.	Existing Use Groundwater Licensing	RSD
81.	Private Managed Forest Lands	ROTE
82.	Water Sustainability Act general	RSD
83.	Bottled Water Applications	SOUTH
84.	Bridal Veil commercial rec development	IROD
85.	Site C	RSD
86.	OAG Audit – Management of Forest Service Roads	ROTE
87.	Public Road Access through Private Land and Douglas Lake Court Decision	ROTE
88.	Forest Enhancement Society of BC	OCF
89.	Funding for Recreation Sites and Trails	IROD
90.	Provincial Rail Trail Funding and Maintenance	IROD
91.	Heritage Property Funding	IROD
92.	Koocanusa Recreation Strategy	SOUTH
93.	Columbia Valley Recreation Access Management Plan (CVRAMP)	SOUTH
94.	Quesnel Junior Secondary	SOUTH
95.	Anahim Connector	SOUTH
96.	TNRD Invasive Plant Pilot not extended	SOUTH
97.	Okanagan Lake Regulation System	SOUTH
98.	Sickle Point	SOUTH
99.	Rose Swanson Sensitive Area	SOUTH
100.	Argonaut harvesting concerns	SOUTH
101.	Section 11 Permitting	SOUTH
102.	BCTS Actions related to positive COVID cases in Tree planting crews	BCTS
103.	Columbia River Treaty Background	EMLI
104.	Columbia River Treaty Negotiations	EMLI
<b>Topics Deferred from Other Ministries Debates</b>		
105.	Provincial Flood Strategy	RSD
106.	BC Hydro Elko Hydroelectric Facility	RSD

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

#### **Issue:** Budget 2021 Summary

#### **Recommend Response:**

- The ministry's overall budget has increased by \$44M to \$888M in 2021/22, an increase of 5.2 percent from last year:
  - \$12M in previously planned increases (breakdown on p.2)
  - \$19M in new budget decisions (breakdown on p.2)
  - \$13M in BC Timber Sales expenditures
- The ministry also received access to permanent and one-time contingencies funding to move forward on economic recovery, reconciliation, and climate change priorities of government
- **Economic Recovery Funding**
  - One-year contingencies funding for 2021/22 of \$8.7M to create 158 youth employment opportunities across the province.
  - One-year contingencies funding for 2021/22 of \$2.7M to expand the provincial recreation site and trails youth employment program to 17 communities across the province.
  - One-year contingencies funding for 2021/22 of a portion of \$4M to help the authorization process with mining development primarily in the North.
  - Permanent funding of \$3.8M to increase capacity to process land and water authorizations, helping to unlock development and land-based economic activity.
  - Permanent already planned increases of \$1M to continue the Coastal Forestry Revitalization initiative and \$1M to advance the New Forest Economy.
- **Reconciliation**
  - \$2.5M to further reconciliation by increasing capacity to implement agreements and to engage on important land-based issues with Indigenous Peoples.
- **Climate Change**
  - Already planned \$2.5M increase to the Forest Carbon Initiative to plant more trees to sequester carbon.

#### **Key Facts:**

The ministry budget increase was from a combination of already planned budget increases to programs (\$12M) combined with new budget decisions (\$19M) and an increase in BC Timber Sales expenditures (\$13M):

	2020/21 Restated Estimates	2021/22 Estimates
Ministry Operations Vote	489,126	517,715
Fire Management Vote	136,310	136,310

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

BC Timber Sales Special Account	218,512	<b>233,816</b>
Crown Land Special Account	20	<b>20</b>
Forest Stand Management Fund	-	-
<b>Total April 2021 Plan</b>	<b>843,968</b>	<b>887,861</b>
<b>Year-to-Year Change in 2021/22</b>		<b>43,893</b>
		<b>5.2%</b>

The Ministry operating budget changes include:

In Plan Changes - \$12.022M:

- \$9.971M Net increase in Ministry Operations based on: \$5.417 M increase for salaries and benefits; \$2.554 M increase for the Low Carbon Economy Leadership Fund/Forest Carbon Initiative; \$1.000 M increase for Forest Revitalization; and \$1.000 M increase for New Forest Economy.
- No changes to the Fire Management vote.
- \$2.051 M Net increase in BC Timber Sales. In plan 21/22 costs were higher than 20/21 restated costs as they were based on previous year's costs of goods sold coupled with a decrease based on a reduction in the benefits rate.

Add to Plan Changes - \$31.871M:

- \$12.0 M Log Export (Fee in Lieu) adjustment to compensate for loss of recovery within the Ministry Operations vote
- \$3.805 M approved budget lift for Authorizations
- \$2.518 M approved budget lift for agreement implementation resources as part of a joint submission between the Ministry of Indigenous Relations and Reconciliation.
- \$0.290 M approved budget lift to create Minister of State for Lands and Natural Resource Operations
- \$0.005 M net increase for Salaries and Benefits under the Sustainable Services Negotiating Mandate
- \$13.253 M increase to align the BC Timber Sales budget with their Performance Targets and Resource Requirements

**Date Prepared/Revised: April 6, 2021**

**Ministry Executive Sponsor:**

Name: Trish Dohan

Phone: 250 953-4745

**Alternate Contact for Issue:**

Name: Mark Walker

Phone: 778-598-1538

# **Ministry of Forests, Lands, Natural Resource Operations and Rural Development**

**Vote 29: Ministry Operations**

**Vote 30: Fire Management**

**DRAFT**  
**April 21, 2021**

---

---

**MINISTRY OF FORESTS, LANDS, NATURAL RESOURCE OPERATIONS AND RURAL DEVELOPMENT**  
**2021/22 Budget Highlights**

**OPERATING BUDGET: \$887.861 M - an increase of \$43.893 M or 5.2 % from 2020/21 Restated)**

The Ministry operating budget changes include:

In Plan Changes - 12.022 M

- o \$9.971M Net increase in Ministry Operations based on: \$5.417 M increase for salaries and benefits; \$2.554 M increase for the Low Carbon Economy Leadership Fund/Forest Carbon Initiative; \$1.000 M increase for Forest Revitalization; and \$1.000 M increase for New Forest Economy.
- o No changes to the Fire Management vote.
- o \$2.051 M Net increase in BC Timber Sales. In plan 21/22 costs were higher than 20/21 restated costs as they were based on previous year's costs of goods sold coupled with a decrease based on a reduction in the benefits rate.

Add to Plan Changes - \$31.871 M :

- o \$12.0 M Log Export (Fee in Lieu) adjustment to compensate for loss of recovery within the Ministry Operations vote
- o \$3.805 M approved budget lift for Authorizations
- o \$2.518 M approved budget lift for implementation of joint submission between the Ministry of Indigenous Relations and Reconciliation and the Ministry of Forests, Lands, Natural Resource Operations and Rural Development
- o \$0.290 M approved budget lift to create Minister of State for Lands and Natural Resource Operations
- o \$0.005 M net increase for Salaries and Benefits under the Sustainable Services Negotiating Mandate
- o \$13.253 M increase to align the BC Timber Sales budget with their Performance Targets and Resource Requirements

**CAPITAL BUDGET: \$80.184 M (a decrease of (\$8.313 M) or (9.4%) from 2020/21 Restated)**

- o **Ministry Capital budgets are estimated on an annual basis based on requirements submitted and prioritized across government**

Total Plan Changes - (\$8.313 M) :

- o (\$5.873 M) decrease for Wildfire facility improvements due to the completion of projects
- o (\$0.754 M) decrease in the funding requirements for vehicle replacement
- o (\$0.908 M) net decrease in Land Improvements is due to the expiration of temporary funding of (\$0.570 M) for Air Tanker bases and (\$0.338 M) for Campsite Expansion activities
- o (\$0.778 M) reduction is due to a decrease in road building based on an anticipated decrease in the sale of timber and timber volumes harvested under the BC Timber Sales Special Account

**FTEs and Staffing**

**FTEs** - Continue to be budgeted at a summary level for the Province.

**Staff** - Complement of staff at January 1, 2021 was 4,183 (3,838 FLNR and 345 Corporate services staff supporting the natural resource ministries), however this will change throughout the year, particularly in field and fire season when an additional 1,200 - 1,400 staff will be hired on a temporary basis.



**Ministry of Forests, Lands, Natural Resource Operations and Rural Development  
2021/22 Budget Briefing**

**THREE YEAR BUDGET CHANGES FROM FEBRUARY 2020 PLAN**

**OPERATING**

\$000s

	2020/21 Estimates	2021/22 Estimates	2022/23 Plan	2023/24 Plan
<b>A February 2020 Plan</b>				
Vote 29 - Ministry Operations	489,126	499,097	499,097	499,097
Vote 30 - Fire Management	136,310	136,310	136,310	136,310
BC Timber Sales Special Account	218,512	220,563	214,547	214,547
Crown Land Special Account	20	20	20	20
Forest Stand Management Fund	-	-	-	-
<b>Total February 2020 Plan</b>	<b>843,968</b>	<b>855,990</b>	<b>849,974</b>	<b>849,974</b>
<i>Year-to-year change in 2020/21 Service Plan</i>		<i>12,022</i>	<i>(6,016)</i>	<i>-</i>
<b>B Inter Ministry Transfers</b>				
<b>Total Inter Ministry Transfers</b>	-	-	-	-
<b>C Budget Lifts and Reductions</b>				
Log Export (Fee in Lieu) adjustment to compensate for loss of recovery		12,000	12,000	12,000
Lift for Authorizations		3,805	3,805	3,805
Lift for joint implementation submission between MIRR/FLNRO		2,518	2,620	2,620
Lift for Minister of State for Lands and Natural Resource Operations		290	307	325
Sustainable Services Negotiating Mandate Increase		5	5	5
Lift to BCTS to align with their Performance Targets and Resource Requirements		13,253	(10,676)	(14,712)
<b>Total Budget Lifts and Reductions</b>	-	<b>31,871</b>	<b>8,061</b>	<b>4,043</b>
<b>Total Transfers and Adjustments</b>	<b>843,968</b>	<b>887,861</b>	<b>858,035</b>	<b>854,017</b>
<i>Change from 2021/22 Service Plan</i>	-	<i>31,871</i>	<i>8,061</i>	<i>4,043</i>
	-	<i>3.7%</i>	<i>0.9%</i>	<i>0.5%</i>
<b>D April 2021 Plan</b>				
Vote 29 - Ministry Operations	489,126	517,715	517,834	517,852
Vote 30 - Fire Management	136,310	136,310	136,310	136,310
BC Timber Sales Special Account	218,512	233,816	203,871	199,835
Crown Land Special Account	20	20	20	20
Forest Stand Management Fund	-	-	-	-
<b>Total April 2021 Plan</b>	<b>843,968</b>	<b>887,861</b>	<b>858,035</b>	<b>854,017</b>
<i>Year-to-Year Change in 2021/22 Service Plan</i>		<i>43,893</i>	<i>(29,826)</i>	<i>(4,018)</i>
		<i>5.2%</i>	<i>(3.4%)</i>	<i>(0.5%)</i>

Footnote(s):

## Ministry of Forests, Lands, Natural Resource Operations and Rural Development

## 2021/22 Budget Briefing

## THREE YEAR BUDGET CHANGES FROM FEBRUARY 2020 PLAN

CAPITAL							
\$000s							
	2020/21 Estimates	#	2021/22 Estimates	#	2022/23 Plan	#	2023/24 Plan
<b>A February 2020 Plan</b>							
Vote 29 - Ministry Operations	37,343		24,848		24,761		24,761
Vote 30 - Fire Management	525		525		525		525
BC Timber Sales Special Account	50,629		48,859		46,486		46,486
<b>Total February 2020 Plan</b>	<b>88,497</b>		<b>74,232</b>		<b>71,772</b>		<b>71,772</b>
<i>Year-to-year change in 2020/21 Service Plan</i>			(14,265)		(2,460)		-
<b>B Intra-Ministry Transfers</b>							
	-		-		-		-
<b>Total-Intra Ministry Transfers</b>	-		-		-		-
<b>Budget Lifts and Reductions</b>							
Wildfire Facilities funding reprofiled from 2020/21 to complete remaining projects			5,600				
Vehicle reduction based on updated replacement scheduled developed by Shared Services BC			(840)		(935)		(935)
Budget lift for vehicles based on joint FLNR/MIRR submission			200				
Increase for road construction for BC Timber Sales based on service plan			992		2,540		200
<b>Total Budget Lifts and Reductions</b>	-		5,952		1,605		(735)
<b>Total Transfers and Adjustments</b>	<b>88,497</b>		<b>80,184</b>		<b>73,377</b>		<b>71,037</b>
<i>Change from 2021/22 Service Plan</i>	-		5,952		1,605		(735)
	-		8.0%		2.2%		(1.0%)
<b>C April 2021 Plan</b>							
Vote 29 - Ministry Operations	37,343		29,808		23,826		23,826
Vote 30 - Fire Management	525		525		525		525
BC Timber Sales Special Account	50,629		49,851		49,026		46,686
<b>Total April 2021 Plan</b>	<b>88,497</b>		<b>80,184</b>		<b>73,377</b>		<b>71,037</b>
<i>Year-to-Year Change in 2021/22 Service Plan</i>			(8,313)		(6,807)		(2,340)
			(9.4%)		(8.5%)		(3.2%)

Footnote(s):

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** 2021/22-2023/24 FLNR Service Plan

#### **Recommend Response:**

- The Service Plan demonstrates how the Ministry plans to achieve its key commitments and priorities as outlined in the ministerial Mandate Letters.

#### **Key Facts:**

- The goals, objectives, and strategies are consistent with FLNR's ministerial Mandate Letters.
- Consistent with the Plan for 2020/21, strategic work is organized into three goals:
  1. Contribute to a healthy and strong provincial economy through actions that strengthen rural community resilience, revitalize the forest sector, reduce risk through natural hazard management, and support recovery from the COVID-19 pandemic.
  2. Drive reconciliation forward through actions that will strengthen partnerships and increase opportunities for engagement with Indigenous peoples in B.C.
  3. Ensure sustainable natural resource management through actions that revitalize and protect B.C.'s forests, improve wildlife management and support the Government-wide CleanBC initiative through climate change adaptation and mitigation activities.
- New strategies to align with emerging priorities include:
  - Implement the Rural Business and Community Recovery Initiative.
  - Implement a targeted rural resident attraction pilot.
  - Advance opportunities to include Indigenous peoples in the forest sector.
  - Develop a provincial strategy to protect coastal marine habitat.
  - Develop the Climate Preparedness and Adaptation strategy.
  - Generate new scientific knowledge on forest carbon and climate change to support decision-making.
- Five performance measures carry over from last year, as they continue to align with Ministry goals:
  - Forest Employment Program – ensuring funds are allocated to create short-term employment opportunities for contractors and workers in coastal and interior regions of B.C. that have been affected by closures in the forest sector.
  - Annual Timber Volume Sold – indicating that the Ministry is maximizing harvest of its allocated timber supply, providing forest sector employment, and contributing to industry sustainability.
  - Community Resiliency Investment Program – signalling Ministry efforts to increase community and provincial resiliency to wildfires through preventative wildfire management activities.

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

- Wildlife Habitat – indicating the effectiveness of Ministry management activities and efforts to enhance, conserve and restore wildlife habitat, support wildlife populations and help recover species at risk.
- Greenhouse Gas Emissions reduction or sequestration – highlighting Ministry effectiveness in delivering climate change mitigation activities through the Forest Carbon Initiative.
- One performance measure is new and demonstrates Ministry progress against related mandate letters items:
  - Delivery of Commitments and Obligations related to the *Declaration on the Rights of Indigenous Peoples Act* – highlighting the Ministry’s commitment to reconciliation and strengthening partnerships with Indigenous peoples in the management of B.C.’s natural resources and land base.

**Date Prepared/Revised: April 15, 2021**

**Ministry Executive Sponsor:**

Name: Mike Hykaway

Phone: Government  
Financial

**Alternate Contact for Issue:**

Name: Sandy Postings

Phone: 250-380-8565

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

#### **Issue:** Columbia Basin Trust and Columbia Power Corporation Background Information

#### **Recommend Response:**

- The Trust will continue to deliver programs that support the social, economic and environmental well-being of Basin residents.
- The Columbia Basin Management Plan Strategic Priorities 2020-2022 will help the Trust respond to the impacts of the COVID-19 pandemic in the Basin.
- These priorities were developed in the summer of 2020, with input from Basin residents, and will help guide the Trust's work in 2021 and 2022.

#### **Key Facts:**

##### **Columbia Basin Trust**

- The unique relationship between the Province and the Trust, and the Trust's dual accountability to the Province and the residents of the Basin, is set out in a 2016 Memorandum of Understanding (MOU).
- The Trust is working with the Ministry of Energy, Mines and Low Carbon Innovation to update and renew the MOU.

##### **Columbia Basin Management Plan (CBMP) Strategic Priorities 2020-2022:**

- In September 2020, the Trust Board approved the CBMP which includes six Strategic Priorities (Community Wellbeing, Ecosystem Enhancement, High-Speed Connectivity, Housing, Local Food Production and Access, and Support for Business Renewal) and two Integrated Priorities (Climate Resilience and Working with Indigenous Peoples).
- Some highlights of the Trust's activities include:
  - \$481K committed to 80 projects creating 74 new childcare spaces, and improving 1,652 others through the Childcare Capital Grants Program.
  - \$1M committed to 178 projects in the Non-profit Tech Grant Program.
  - \$1.3M committed to 10 projects in the Community Outdoor Revitalization Program.
  - \$850K committed to 24 projects in the Food Access and Recovery Program.
  - \$1.35M for three large-scale projects in the Ecosystem Enhancement Program.
  - \$634K for 15 projects in Energy Sustainability Grants.
  - \$650K for 16 projects in Environment Grants.
  - Launched a #BuyBasin Festival supporting up to 100 local businesses to be featured live on Facebook in the spring, encouraging residents to shop locally.
  - Virtual Food and Buyers Expo held on April 9, 2021.

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

- Approval from CRTC to complete \$4.9M backbone project connecting 5 underserved communities between Fruitvale and Nelson.
- As it is more complex to track progress against the integrated priorities across the organization, work is still underway to develop the key success indicators.

Renewal: The current CBMP “expires” in 2022. The Trust will start a regional engagement process in early 2022.

### Columbia Power Corporation Activities

#### Arrow Lakes Generating Facility

- Intake Gate Refurbishment Capital Project – significant sustaining capital at about \$1M per year for six years with a start date that had to be deferred from April 2020 due to COVID-19.

#### Brilliant Expansion Generating Facility

- Control System Replacement at \$900K had to be deferred from fiscal 2021 due to COVID-19.

#### Waneta Expansion Generating Facility

- Normal course routine and maintenance. This will be the first full year where major warranty work will no longer be required.

### Service Plan Financials

#### Columbia Basin Trust:

- In the Trust’s 2021/22-2023/24 Service Plan submitted in April 2021, the following financial forecasts were presented for the year of 2020/2021.
  - Generate \$90M in total revenue
  - Deliver \$57M in grants and initiatives
  - Provide \$5M in new business loans

#### Columbia Power Corporation:

- In CPC’s 2021/22-2023/24 Service Plan submitted in April 2021, the following financial forecasts were presented for the year 2020/2021.
  - Generate \$79M in total revenue
  - Incur \$25M in expenses
  - Deliver \$55M in net income

**Date Prepared/Revised: April 20, 2021**

**Ministry Executive Sponsor:**

Name: Les MacLaren

Phone: 778 698-7183

**Alternate Contact for Issue:**

Name: Mike Hykaway

Phone: Government

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** BCTS 2020/21 Performance

**Recommended Response:**

- BCTS is a self-financing program within FLNRORD.
  - **Goal:** to provide credible representative cost and benchmark data for the Market Pricing System (MPS) through auctions of timber harvested from public land in BC.
  - **Objectives:**
    1. Sell the full BCTS apportionment over the business cycle, consistent with safe practices, reconciliation with indigenous peoples, and sustainable forest management;
    2. Generate direct net revenue and indirect revenue for the Province over the business cycle; and
    3. Pursue continuous business improvements across government and with third party partners and customers.
  - **Principles:**
    - Forest Sector Safety;
    - Reconciliation with Indigenous Peoples; and
    - Sustainable Forest Management.

**2020/21 Performance Summary:**

Key Performance Measure	Target	Achieved	Variance
Annual Timber Volume Sold	10.5Mm3	10.3Mm3	(0.2Mm3)
Annual Timber Volume Developed	12.8Mm3	9.0Mm3	(3.8Mm3) <sup>1</sup>
Net Revenue	\$142.9M	\$192.6M	\$49.7M

<sup>1</sup> Delays due to COVID, reconciliation activities, and managing wildlife continue to adversely impact production.

- BCTS continues to achieve its goal of supporting the Market Pricing System by advertising over 20% of the planned provincial harvest volume for the year.
- BCTS achieved or substantially achieved all three of its objectives:
  - Objective 1: BCTS achieved 98% of its target for timber volume sold. A higher than expected number of sales receiving no bids, wildlife impacts, and delays related to reconciliation with indigenous peoples are the primary reasons for the shortfalls.  
  
2020/21 is the second year of the 5-year business cycle and BCTS the small short fall in timber volume sold from 2019/20 and 2020/21 will be rectified before the end of the business cycle March 31, 2024.
  - Objective 2: BCTS will exceed its Net Revenue target for the year by about \$50M. The rates billed during the year remained higher than

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

---

expected as licensees took advantage of high lumber prices and continued to harvest high value timber.

Objective 3: BCTS continues to make good progress on continuous improvement initiatives including regionalization initiatives to align and make better use of existing and scarce resources.

- BCTS continues to maintain and deliver its program within its overarching principles:
  1. Forest Sector Safety - maintained its SAFE Companies Certification and played a key role in supporting Ministry Safety certification;
  2. Reconciliation with Indigenous Peoples – BCTS invested in new ways of doing business with Indigenous peoples that involves building greater understanding, capacity, and collaboration; and,
  3. Sustainable Forest Management – BCTS continues to be 100% Sustainable Forestry Initiative (SFI) certified and planted over 65 million trees in 2020/21.

#### **Key Facts:**

- BCTS continues to play a critical role in the forest sector and the economies of rural communities.
- Each year BCTS puts over \$170M directly into communities through tendering of its service contracts.
- Its activities also support over 7,000 direct and about 10,000 indirect well-paying jobs each year.
- Since inception in 2003, BCTS has:
  - sold over 200 million cubic metres of timber into the forest economy through competitive auctions;
  - grown over 1.1 billion trees to support future forests; and,
  - earned about \$1.8 billion in net revenue for the Province, the majority of which supported other government priorities such as education, health, parks and recreation.
- BCTS publishes quarterly and annual public performance reports. The 2020/21 Annual Performance Report will be available soon once all financial and business information is finalized.

**Date Prepared: April 20, 2021**

**Ministry Executive Sponsor:**

Name: Rick Manwaring, DM

Phone: (250) 828-4449

**Alternate Contact for Issue:**

Name: Robert Bigalke, Director Business, BCTS

Phone: (778) 974-5681



## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** Covid related expenses for 2020/21

#### **Recommend Response:**

- FLNR incurred \$9.48M in additional expenses in 2020/21 in response to the Covid-19 pandemic.
- The main categories for Covid related spending are: Increased tree planting costs (\$3.07M) and ministry related Covid expenses (\$6.41M).

#### **Key Facts:**

In response to restrictions caused by the pandemic, FLNR incurred additional costs to ensure the planned tree planting season could continue.

Tree planting related costs incurred included providing security at tree planting camp sites and hotels to enforce covid-related restrictions, the leasing of additional vehicles to ensure appropriate social distancing by employees, provisions of personal protection equipment, additional cleaning supplies for equipment and use in camps, etc.

Expenses incurred by the Ministry in response to the pandemic and to comply with restrictions included: additional janitorial costs for more frequent cleaning, increased demand for cleaning supplies, signage for buildings and offices, provision of personal protection equipment such as masks, etc.

The \$9.48M reflects the Q3 information, as reported in the budget and fiscal plan document.

The provincial 2020/21 annual operating results, including COVID-19 related expenditures, are being prepared and audited and final results will be available when the Minister of Finance releases the Public Accounts.

**Date Prepared/Revised: April 20, 2021**

**Ministry Executive Sponsor:**

Name: Trish Dohan

Phone: 250 953-4745

**Alternate Contact for Issue:**

Name: Melissa Kortum

Phone: 778-698-0401

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** The ministry received \$3.8M permanent budget lift in *Budget 2021* to increase capacity to process land and water use authorizations.

#### **Recommend Response:**

- The funding addresses the growing backlog of tenure applications, renewals and rent reviews to use provincial public land and water in three regions, West Coast Lower Mainland and Thompson Okanogan.
- The funding will:
  - Improve land and water stewardship,
  - Unlock stalled economic growth and development,
  - Help economic recovery initiatives.
- Provincial delays in land-based authorizations are a removeable barrier to economic growth, job creation and economic recovery through increased capacity to process applications to use crown land for development or economic purposes.
- This initiative supports the StrongerBC plan by authorizing shovel ready projects and activity on the land-base to proceed, helping people and businesses get back to work.

#### **Key Facts:**

160 trained specialists across the three largest and economically active regions manage nearly 11,000 land and water authorizations (tenures), or 64% of the provincial total. Every year, the three regions process an average of 4,100 files, but the workload has increased due to several factors without a corresponding increase to staff resources.

Increasing capacity will enable projects to proceed and will reduce authorization wait times, unlocking an estimated \$1 billion in land-based economic activity.

The provincially authorized economic activity will increase provincial revenues from land and water use authorizations and create jobs across a wide range of sectors such as construction, housing, tourism, and natural resource extraction.

Faster processing times will also mitigate the risk of unauthorized use of Crown land and water, limiting the need for increased compliance and enforcement measures.

**Date Prepared/Revised:** «add date»

**Ministry Executive Sponsor:**

Name: Trish Dohan

Phone: 250 953-4745

**Alternate Contact for Issue:**

Name: Mark Walker

Phone: 778-598-1538

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** The ministry received one-time funding of \$11.4M in 2021/22 to expand youth employment programs.

#### **Recommend Response:**

- One-year contingencies funding for 2021/22 of \$8.7M to create 158 youth employment opportunities across the province.
- One-year contingencies funding for 2021/22 of \$2.7M to expand the provincial recreation site and trails youth employment program to 17 communities across the province.
- This program will provide work experience on projects such as community wildfire prevention, invasive species management, improvements to recreation sites and trails, and improving forest management and health.
- The program will directly support rural, resource communities facing job losses by providing youth employment and training, and by investing in outdoor recreation facilities to strengthen local tourism and accelerate post COVID-19 pandemic economic recovery.

#### **Key Facts:**

- This initiative is part of the larger StrongerBC Works program that is investing over \$40M to provide skills training and employment opportunities for more than 5,000 people across British Columbia.
- Through the StrongerBC Works program, young people will have access to skills training, internships, job co-ops and meaningful jobs, both seasonal/short-term and long-term, in the growing tech sector, environment and natural resource fields.
- These opportunities will provide career pathways for younger British Columbians who have seen co-ops, internships and other opportunities minimized during the pandemic.
- Youth have experienced a higher rate of unemployment than other age groups within British Columbia, doubling between January 2020 and January 2021 to 16.8%.
- These work opportunities will help young people financially, while building valuable experience for their careers.

**Date Prepared/Revised: April 12, 2021**

**Ministry Executive Sponsor:**

Name: Trish Dohan

Phone: 250 953-4745

**Alternate Contact for Issue:**

Name: Mark Walker

Phone: 778-598-1538

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** The ministry received a \$12M permanent budget lift in *Budget 2021* to replace the ministry recovery (revenue) of Log Export Fee-In-Lieu of Manufacture (FIL).

**Recommend Response:**

- The \$12M budget lift has increased the Executive and Support Services core business budget and replaces revenue the ministry used to collect.
- The budget lift is administrative in nature and is fiscal plan neutral. There is no new spending related to this budget lift.
- In a decision made in 2004, a portion of ministry base operations were to be funded by the highly variable Log Export Fee-in-Lieu of Manufacture revenue, leading to pressures within the ministry when revenues declined.
- The FIL revenue has funded base budget programs such as wildfire risk reduction, tree planting and other enhanced silviculture activities over the last 17 years.
- The FIL revenue will now flow directly to government’s Consolidated Revenue Fund enabling better fiscal management for the ministry and for government.

**Key Facts:**

A Fee-in-Lieu (FIL) of manufacture is charged on all crown logs that are permitted for export. The Ministry of Forest, Lands, Natural Resource Operations and Rural Development (FLNR) has been recovering a portion of the FIL revenue to defray the costs of core ministry business since 2004.

<b>Date Prepared/Revised:</b> «add date»	
<b>Ministry Executive Sponsor:</b>	
Name: Trish Dohan	Phone: 250 953-4745
<b>Alternate Contact for Issue:</b>	
Name: Mark Walker	Phone: 778-598-1538

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

**Issue:** Revenue Derived From Forests, Lands and Natural Resource Operations

**Key Facts Regarding Issue:**

- **Total revenue** as from the 2021/22 Budget Estimates Forecast by major category is \$1.87 billion in 2021/22; \$1.59 billion in 2022/23; and \$1.57 billion in 2023/24.
- Forests and Other Natural Resources categories align with Table A9 of the 2021/22 Budget and Fiscal Plan. Crown lands and other revenues do not have their own separate line items and are rolled up with other revenue sources in the Budget and Fiscal Plan.

Ministry Revenue Category	2020/21 Revised Forecast	2021/22 Budget Forecast	2022/23 Target	2023/24 Target
Forests *	1,121	1,204	948	916
Other Natural Resources**	439	502	514	510
Crown Lands	93	107	86	99
Other Revenues***	69	54	43	41
<b>Total Ministry Revenue</b>	<b>\$ 1,722M</b>	<b>\$ 1,868M</b>	<b>\$ 1,591M</b>	<b>\$ 1,566M</b>

\* Forests include timber tenures stumpage, BC Timber Sales, other forest revenue, recoveries and logging tax

\*\* Other Natural Resources include water resources and wildlife act fees and licenses and recoveries

\*\*\* Other revenues include land registry fees, Low Carbon Emissions Leadership Fund (LCELF) federal government contributions and other miscellaneous revenue accounts

\*\*\*\* Totals may not add due to rounding

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

#### FORESTS REVENUE - (Millions)

<b>FORESTS REVENUE</b>	<b>2020/21 Revised Forecast</b>	<b>2021/22 Budget Forecast</b>	<b>2022/23 Target</b>	<b>2023/24 Target</b>
Timber Tenures <sup>1</sup>	696	744	515	498
BC Timber Sales	365	344	321	307
Other CRF Revenue <sup>2</sup>	18	30	30	30
Logging Tax <sup>3</sup>	(20)	30	30	30
Recoveries <sup>4</sup>	61	56	52	51
<b>FORESTS REVENUE (A9)</b>	<b>\$ 1,121 M</b>	<b>\$ 1,204 M</b>	<b>\$ 948 M</b>	<b>\$ 916 M</b>

<sup>1</sup> Timber Tenures includes stumpage revenue and annual rent revenue. Recoveries related to revenue sharing payments to Indigenous Peoples are deducted to provide net timber tenures revenue.

<sup>2</sup> Other Consolidated Revenue Fund (CRF) Revenue includes timber export fees, range permits and fees, waste, penalties, interest and other miscellaneous forestry receipts.

<sup>3</sup> Logging tax is administered by the Ministry of Finance and applies to individuals or corporations that have income from logging operations on private or Crown land in BC. Negative forecast due to corporations filing amended returns to claim their loss carry-backs.

<sup>4</sup> Recoveries include log export recoveries and wildfire management recoveries. Ministry of Indigenous Relations and Reconciliation Forest Consultation and Revenue Sharing Agreement (FCRSA) recoveries are also included.

#### Advice and Recommended Response – Forests Revenue

- The forest revenue forecast is based on current economic assumptions regarding US housing starts, the Canada-U.S. exchange rate, lumber commodity prices and prevailing stumpage rates.
- Forecast uncertainties include impacts associated with lumber price, lumber demand, stumpage rates and harvest volatility, US duties, mill curtailments, timber supply decreases and overall global economic conditions.
- Timber tenures revenue is increasing in FY21/22 due to increasing Coast and Interior appraised stumpage rates.
  - Lumber prices are expected to stay elevated through FY21/22, keeping appraised rates at historically high levels.
  - The decrease in timber tenures revenue in FY22/23 is due to expectations of lumber prices retreating to more normalized levels.
- BCTS revenues are expected to decrease marginally in FY21/22 as lumber prices stabilise just under the all-time highs currently being experienced.
- Crown harvest volumes have adjusted lower over the past two years.
  - Crown harvest volume is forecast to be 46.0 Million cubic meters in FY21/22 as compared to 46.8 Million cubic meters in FY20/21.
  - The winding down of mountain pine beetle salvage and forest fires have contributed to timber scarcity and mill closures.

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

#### **OTHER NATURAL RESOURCE REVENUE – (Millions)**

	<b>2020/21 Revised Forecast</b>	<b>2021/22 Budget Forecast</b>	<b>2022/23 Target</b>	<b>2023/24 Target</b>
Water Resources	366	430	441	437
Water Recoveries	50	50	50	50
Wildlife Acts Fees and Licenses	10	10	10	10
Fish and Wildlife Recoveries	13	13	13	13
<b>TOTAL</b>	<b>\$ 439 M</b>	<b>\$ 502 M</b>	<b>\$ 514 M</b>	<b>\$ 510 M</b>

#### **Advice and Recommended Response – Other Natural Resource Revenue**

- Water Resources revenue is 97% from about 250 power producers, and 3% from 30,000 other licensed water users in the province, from domestic usage to the Greater Vancouver Water District supplying all of Vancouver with water.
- The forecast shows an increase in water resources revenue for 2021/22 and 2022/23 from a combination of factors related to power production:
  - Higher initial reservoir storage going into 2020 and significantly above average water inflows to reservoirs in 2020. More power is able to be generated due to the increased pressure from a higher reservoir depth.
  - An inability to generate due to operational restrictions in 2020 requires an increased reservoir drawdown in fiscal 2021/22 at BC Hydro (BCH) facilities. As these reservoirs are drawn down power production is increased.
  - System re-optimization related to planned outages and balancing among BCH Columbia River facilities and Columbia River Treaty Coordination Partners.
- Water resources decrease in revenue for 2023/24 mainly due to projected lower Peace reservoir levels. BC Hydro has three major dams on the Peace river, lower reservoir levels reduce the amount of power that can be produced.
- Water rental rates are indexed to the BC CPI rate annually.
- 100% of net angling revenue is allocated to Freshwater Fisheries Society BC annually.

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

#### CROWN LAND REVENUE - (Millions)

	<b>2020/21 Revised Forecast</b>	<b>2021/22 Budget Forecast</b>	Government Financial Information
Land Tenure	55	58	
Net Land Sales	7	9	
Net SPP Sales	10	27	
Land Royalties	20	12	
Interest & Other Income	1	1	
<b>TOTAL</b>	<b>\$ 93 M</b>	<b>\$ 107 M</b>	

#### Advice and Recommended Response – Crown Land Revenue

- Crown land revenue includes Crown land sales to external parties, sales of crown land assets in accordance with the provincial Surplus Property Program (SPP), and Land royalties collected when Crown land resources are extracted or used. Land tenure instruments include investigative permits, licences of occupation and leases.
- Land tenure increases for all fiscal years are mainly attributed to increasing BC Assessment land values and new authorizations issued.
- Crown Land sales changes due to the sales being finalized later than expected.
- SPP land sales for 2020/21 were deferred to 2021/22 for various reasons, generally due to legal issues, First Nation consultations, and mandates for Ministry of Citizens' Services, who manage the SPP as a whole, to meet revenue targets for specific years. No SPP land sales are planned for 2022/23 and onwards at this moment.
- Crown land revenue is generated from all regions within the province.

**Date Prepared: March 31, 2021**

**Ministry Executive Sponsor:**

Name: Trish Dohan

Phone: 250 953-4745

**Alternate Contact for Issue:**

Name: Allan Bennett (Forests)

Phone: 778-974-2407

Name: Trevor Miller (NRO)

Phone: 778-698-9496



## 2021/22 Estimates Debate

## Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** Explanation of Net Crown Land Revenue Changes from 2020/21 Budget to 2020/21 Q3 Forecast.

Crown land disposition activity occurs through royalty, tenure or sale agreement.

- Land royalties are collected when Crown land resources are extracted (e.g. quarry activity) or used (e.g. ski resort activity).
- Land tenure instruments include leases, licenses of occupation, rights of way and permits.
- Land Sales, net of cost of sale, occur when the province transfers Crown land to an external party. Crown land transferred in accordance with the provincial Surplus Property Program (SPP) is reported separately.

**CROWN LAND REVENUE - (Millions)**

	2020/21 Budget Forecast	2020/21 Revised Forecast	Change	2021/22 Budget Forecast	Government Financial Information
Land Tenures	57	55	-2	58	
Net Land Sales	10	7	-3	9	
Net Surplus Property Program Sales	6	10	+4	27	
Land Royalties	11	20	+9	12	
Interest & Other income	1	1		1	
<b>Total</b>	<b>\$85</b>	<b>\$93</b>	<b>+\$8</b>	<b>\$107</b>	

**Key Facts:****SPP Sales**

Net SPP sales revenue increased by \$4 million in 2020/21 from the original budget forecast due to the completion dates for SPP program sales being moved from future periods partially offset by sales moved to future periods. Sales moved to future years are generally due to legal issues, First Nation consultation, and mandates for Ministry of Citizens' Services, who manage the SPP program, to meet revenue targets for specific years.

- Net Sales moved from Fiscal 2020/21 to Fiscal 2021/22
  - Village of Belcarra -4.8
  - Brunswick Point Phase 3 -1.7
- Increase to net sale not previously forecasted for 2020/21
  - LNG Canada 6.4
  - Pemberton Benchlands Phase 2 2.6
  - Rio Tinto Alcan 1.2

**Total 2020/21 net SPP Sales variance (rounded)                      +\$4 million**

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development .....

#### Land Sales

- Sales moved from Fiscal 2020/21 to 2021/22
- Fortis Compressor Site
- Chilliwack Filled Foreshore

-1.0

-2.0

#### **Total net Land Sales variance (rounded)**

**-\$3 million**

#### Land Royalties

- Aggregate royalties from BC Hydro Site C Construction
- Various other royalties collected

8

1

#### **Total Land Royalties variance (rounded)**

**+\$9 million**

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

**Issue:** Explanation of 2020/21 Q3 Forecast changes to Crown Land Revenue for Fiscals 2021/22 and 2022/23

The following table compares the estimate of Crown Land Revenue from Budget 2020 to the updated forecast for Budget 2021:

<b>2021/22 BUDGET FORECAST (Millions)</b>			
	<i>Budget 2020 2021/22</i>	<i>Budget 2021 2021/22</i>	<b>Change</b>
Land Tenures	58	58	0
Net Land Sales	13	9	-4
Net SPP Sales	17	27	+10
Land Royalties	11	12	+1
Interest & Other income	1	1	
<b>Total</b>	<b>\$100</b>	<b>\$107</b>	<b>+\$7</b>

#### Land Sales

Net land sales revenue is expected to decrease by \$4 million for 2021/22, due to the change in expected closing dates:

▪ Chilliwack Filled Foreshore moved to 2022/23	-10.8
▪ Fortis Compressor Site moved from 2020/21	1.0
▪ Chilliwack Filled Foreshore moved from 2020/21	2.0
▪ Regional projects moved from 2020/21	3.3
▪ New Regional projects	<u>0.2</u>
<b>Total net Land Sales variance (rounded)</b>	<b>-\$4 million</b>

#### SPP Sales

Net SPP sales revenue is expected to increase by \$10 million for 2021/22, due to the change in expected closing dates:

▪ Sales moved from Fiscal 2020/21 to 2021/22	
▪ Village of Belcarra	4.0
▪ Woodfibre LNG	3.8
▪ Brunswick Point Phase 3	<u>2.7</u>
<b>Total net SPP Sales variance (rounded)</b>	<b>\$10 million</b>

## 2021/22 Estimates Debate

### Ministry of Forests, Lands, Natural Resource Operations and Rural Development

.....

The following table compares the estimate of Crown Land Revenue from Budget 2020 to the updated forecast for Budget 2021:

<b>2022/23 BUDGET FORECAST</b>			
	<i>Budget 2020 2022/23</i>	<i>Budget 2021 2022/23</i>	<b>Change</b>
Land Tenures	59	59	
Net Land Sales	2	12	+10
Net SPP Sales	0	0	
Land Royalties	12	13	+1
Interest & Other income	1	1	
<b>Total</b>	<b>\$74</b>	<b>\$86</b>	<b>+\$11</b>

#### Land Sales

- Land sales moved from 2021/22 to 2022/23  
Chilliwack Filled Foreshore

10.8

**Total net Land Sales variance (rounded)**

**\$10 million**

**Date Prepared:** April 01, 2021

Name: Ken Pomeroy

Phone: (250) 361-7486

**Ministry Executive Sponsor:**

Name: Melissa Kortum

Phone: (778) 698-0401

**Alternate Contact for Issues:**

Name: Mafalda Di Iorio

Phone: (778) 698-8266

**Ministry of Forests, Lands & Natural Resource Operations - Revenues**  
**As per the 2021/22 to 2023/24 Budget & Fiscal Plan - Table A9 (\$ millions)**

	2019/20 Actuals	Revised Forecast 2020/21	Estimates 2021/22	Forecast 2022/23	Forecast 2023/24
Timber Tenures (net)	488	696	744	515	498
BC Timber Sales	395	365	344	321	307
Logging tax (1)	28	(20)	30	30	30
Other Forest Revenues (2)	19	18	30	30	30
Recoveries (3)	58	61	56	52	51
Forests	988	1121	1204	948	916
Water Revenues	358	366	430	441	437
Recoveries for BC Hydro Tier 1 rebate	50	50	50	50	50
Fish & Wildlife	10	10	10	10	10
Recoveries for amount paid to Freshwater Fish Society of BC (FFSBC)	13	13	13	13	13
Other Natural Resources (per Ministry)	432	439	502	514	510
Other Revenue					
Crown Lands (4)	90	93	107	86	99
Federal Government Contributions (5)	19	29	13	2	-
Land Registry Fees	36	39	39	39	40
Other Revenue	2	2	2	2	2
	147	162	161	129	140
FLNR Revenue	1,566	1,722	1,868	1,591	1,566

## Notes:

A Forests (as per Ministry)	988	1121	1204	948	916
Rounding adjustment by Finance	-	-	-	-	-
Forests (per Table A9)	988	1121	1204	948	916
B Other Natural Resources (as per Ministry)	432	439	502	514	510
Rounding adjustment by Finance			1		
Other Natural Resources (per Table A9)	432	439	503	514	510

1 Logging tax is determined by Ministry of Finance. MFIN revenue but included to reconcile to Forest Revenue as reported in Table A5 and A9 of the Budget and Fiscal Plan

2 Includes timber export fees, range permits & fees, waste, penalties & interest, and other miscellaneous non-forestry revenues

3 Forest recoveries include log export admin fees, forest sciences and wildfire prep recoveries. Also includes FCRSA recoveries to MIRR.

4 Included in "Other energy" line in Table A9 of Budget & Fiscal Plan

5 Included in "Other cost shared agreements" line in Table A9 of Budget & Fiscal Plan

**Ministry of Forests, Lands and Natural Resource Operations**  
**Revenue 2019/20 to 2023/24 (\$ thousands)**

	<b>Actuals</b>	<b>Revised Forecast</b>	<b>Estimates</b>
	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>
<b>Timber Tenures</b>			
Stumpage (Incl. Timber Licences)	519,566	717,667	775,417
FCSRA recoveries	(42,051)	(40,442)	(45,795)
Harvesting Rental & Fees	10,345	19,000	14,000
Sub-Total Timber Tenures	487,860	696,225	743,622
<b>BC Timber Sales</b>			
Upset Stumpage	260,422	213,154	202,860
Bonus Stumpage	126,075	142,102	135,240
Harvesting Rental & Fees	6	0	50
Waste	4,342	4,000	3,500
Penalties	1,154	2,300	400
Miscellaneous	2,931	3,700	2,000
Foreign Exchange Gain/Loss	8	11	0
Recovery of Prior Year's Expenses	82	2	0
Miscellaneous - FIA	12	0	0
Sub-Total - BC Timber Sales	395,032	365,269	344,050
<b>Other Forests Revenue</b>			
Timber Export Fees	5,854	3,000	15,000
Range Permits & Fees	2,689	2,700	3,000
Waste	5,871	8,000	8,000
Penalties	386	100	100
Interest	3,164	3,500	3,000
Miscellaneous	980	1,000	1,000
Softwood Lumber Border Tax	0	0	0
Subtotal - Other Forests Revenue	18,944	18,300	30,100
<b>Recoveries</b>			
Forest Recoveries (log export admin and wildfire)	15,699	20,624	10,624
FCSRA Recoveries	42,051	40,442	45,795
Subtotal - Recoveries	57,750	61,066	56,419
<b>Logging Tax</b>			
Logging Tax	28,023	(20,000)	30,000
<b>Forest Revenue</b>	<b>987,609</b>	<b>1,120,860</b>	<b>1,204,191</b>

