

**Ministry of Agriculture**  
**BRIEFING NOTE FOR ADM FOR DECISION**

Ref: 189825

Date: February 11, 2019

**Title:** Future direction of the BC Farmers Advocacy Office (FAO)

**Issue:** The FAO contract has expired and direction is needed moving forward

**Background:**

In 2009, the Ministry of Energy, Mines and Petroleum Resources (EMPR), the Ministry of Agriculture (AGRI) and the Peace River Regional District (PRRD) started a project to provide landowners with information to help them understand surface leases and right of way access with the oil and gas industry with the intention of improving the relationship between rural residents and the oil and gas sector. FAO office was opened in Dawson Creek in 2010 under a pilot project and reviewed in 2012 with a resulting decision to continue with FAO through a MOU with PRRD for another five years.

EMPR and PRRD funded the management and implementation of FAO under a cost sharing agreement where each party provided 50% of the funding to the sum of \$270K a year. EMPR, AGRI, PRRD and a landowner representative sit on a FAO management committee to provide oversight and accountability. Over the past five years there has been ongoing concern relating to FAO compliance with its mandate and overstepping its advocacy role.

The cost sharing arrangement between EMPR and PRRD expired in June 2018. At that time, PRRD Board asked that ERMP and AGRI take on the full responsibility of funding FAO. Given the issues with the management and implementation of FAO, an independent audit was requested of FAO to be conducted before making a decision. As a result, in the summer of 2018 PRRD commissioned an evaluation by MNP LLP. The report was released January 31, 2019 at a PRRD Board meeting. Aspen Grove Property Services has been the contractor providing the services of FAO office since its inception.

**Discussion:**

The evaluation report assessed a number of questions and offered suggestions to amend the delivery model. For the majority of landowners being served, the satisfaction with the services offered is high although more could be done to inform expectations on roles and functions. The report states that FAO may be providing services not permitted under the MOU and is also providing landowners with subjective information on compensation. In addition, it identified a need to clarify the “advocacy” role of FAO. It is also suggested that there is a need to rebuild trust between FAO and management committee representatives, and other organizations such as the Surface Rights Board.

The report suggested improved reporting requirements be implemented including performance metrics on the number of clients assisted during the period, type of assistance provided, time commitment with individual clients, and the realization of outcomes. This would allow an objective assessment of services currently offered and inform possible broadening of the mandate. The report suggests that stronger collaboration with the BC Oil and Gas Commission and the Surface Rights Board among others would add to the currency and value of information that is provided by FAO.

FAO submitted a written statement to the management committee outlining their concerns with the accusatory nature of the report and disputed several statements within the report, including the suggestions that they provide subjective compensation figures.

The MNP LLP report recommends that PRRD and the Province continue to fund FAO for a period up to two years as a transitional phase whereby roles, expectations and core functions will be clarified. In the interim, it is suggested that additional sources of funding be investigated, such as from the National Energy Board. Another option would be to transition to an alternative funding model, possibly “industry pay” through a levy.

No alternative organizations were identified that have a mandate, expertise and capacity to assume the provision of services currently offered by FAO over the shorter term. In the long-term, it is suggested that PRRD could provide administrative support and possibly hire staff to fill this need. An alternate option is to bring the program into the Provincial government, similar to the Alberta Farmers’ Advocate office which resides with the Alberta Ministry of Agriculture and Forestry.

**Options:**

s.13

**Recommendation:** s.13  
s.13

**Approved / Not Approved**

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Arif Lalani, ADM

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Date Signed

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DIR \_\_\_\_\_ ADM \_\_\_\_\_ DM \_\_\_\_\_