
Natural Resources and Energy Development

ANNUAL REPORT

2021-2022

Natural Resources and Energy Development

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Province of New Brunswick
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Transmittal letters

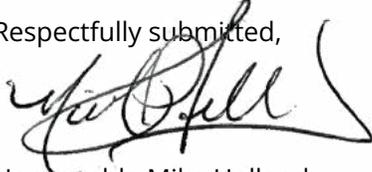
FROM THE MINISTER TO THE LIEUTENANT-GOVERNOR

**Her Honour The Honourable Brenda Murphy
Lieutenant-Governor of New Brunswick**

May it please your Honour:

It is my privilege to submit the annual report of the Department of Natural Resources and Energy Development, Province of New Brunswick, for the fiscal year April 1, 2021, to March 31, 2022.

Respectfully submitted,



Honourable Mike Holland
Minister

FROM THE DEPUTY MINISTER TO THE MINISTER

**Honourable Mike Holland
Minister of Natural Resources and Energy Development**

Sir:

I am pleased to be able to present the annual report describing operations of the Department of Natural Resources and Energy Development for the fiscal year April 1, 2021, to March 31, 2022.

Respectfully submitted,



Tom MacFarlane
Deputy Minister

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Minister's message

New Brunswick has always been a province rich in natural resources.

For generations, New Brunswickers have found relief and refuge in our woods and on our waterways, enjoying outdoor activities like fishing, hunting and camping. Additionally, our energy and mining sectors have been major contributors to our provincial economy.

As a person who is passionate about all these things, it is a privilege to serve in a position that allows me to have a front row seat to the incredible work happening every day at the Department of Natural Resources and Energy Development.

The 2021-2022 fiscal year was a busy one.

We made amendments to the *Electricity Act*, modernizing it and giving NB Power the tools to improve its fiscal health, pay down debt and continue to provide safe and reliable service to New Brunswickers.

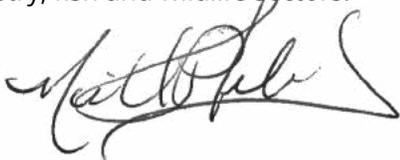
We launched "A Strategic Plan for the Deployment of Small Modular Reactors" in partnership with Ontario, Saskatchewan and Alberta, taking another step forward in energy innovation. New Brunswick has a long history as a Canadian leader in the energy sector and I am looking forward to continuing to work with our partners across the country.

We developed and began offering Canada's first and only bilingual online hunter education course and launched the inaugural, 12-day New Brunswick wild turkey hunting season. And we made significant progress on our goal of permanently protecting 10 per cent of New Brunswick's land and freshwater for wildlife, biodiversity and future generations by evaluating, screening and publishing for public comment more than 413,000 hectares of candidate conserved areas on Crown land as part of the Nature Legacy initiative.

These are just a few examples of the accomplishments outlined in this report.

All these achievements were made possible by the staff at the Department of Natural Resources and Energy Development who work hard every day to make New Brunswick such a great place to live. Thank you for sharing your expertise and for your dedication to our province.

I look forward to working together with our partners, stakeholders and subject matter experts to continue shaping the future of New Brunswick's energy, mines, forestry, fish and wildlife sectors.



Honourable Mike Holland
Minister of Natural Resources and Energy Development

Deputy Minister's message

The Department of Natural Resources and Energy Development has the great responsibility of managing New Brunswick's natural assets.

This is a big task with big implications for the future of our province. Our department is vital to the provincial economy, creating jobs and economic growth in the energy, forestry, fish and wildlife, and mining sectors. The safe and responsible development of our natural resources is at the core of everything we do.

The importance of the forestry sector to the New Brunswick economy cannot be underestimated. One in every 14 jobs in our province is connected to the sector in some way, making it one of the most important drivers of the provincial economy. Forestry has been and will continue to be a vital part of New Brunswick's future, which is why the department continues to work hard to ensure our practices are sustainable. We believe good inventory, strategic planning, a commitment to silviculture, landowner education, and co-operation in the sector are important for the future of the sector, and our commitment to these principals is evident in this report.

New Brunswick's energy and mining sectors also continue to be important elements of New Brunswick's economy. Transitioning to a low-carbon economy continues to be a key priority for government and during this reporting period, the province took a significant step in the advancement of small modular reactors, releasing a strategic plan with our partners in Ontario, Saskatchewan and Alberta. Additionally, we continued to work with Atlantic and Quebec colleagues, utilities and the federal government to release the Clean Power Roadmap for Atlantic Canada.

It is important to acknowledge the important role department staff play in these accomplishments. Each member of the team brings a great deal of passion and dedication to their work, which ranges from protecting our wildlife and managing our forests to ensuring energy and mining resources provide opportunities for New Brunswickers. They strive to provide the best service for New Brunswickers every day and I thank them for their expertise, dedication, and professionalism.



Tom MacFarlane
Deputy Minister

Government Priorities

Delivering for New Brunswickers

ONE TEAM ONE GNB

One Team One GNB is our vision as an organization and a collaborative approach to how we operate. It is our path forward, and it represents a civil service that is working collectively across departments, professions, and sectors. Together, we are learning, growing, and adapting, and discovering new and innovative ways of doing business. It is enabling us to achieve the outcomes needed for New Brunswickers, and we are working more efficiently and effectively than ever before.

As *One Team One GNB*, we are improving the way government departments:

- communicate with one another,
- work side-by-side on important projects, and
- drive focus and accountability.

STRATEGY AND OPERATIONS MANAGEMENT

The Department of Natural Resources and Energy Development uses a Formal Management system built on leading business practices to develop, communicate and review strategy. This process provides the Public Service with a proven methodology to execute strategy, increase accountability and continuously drive improvement.

The development of the strategy, using the Formal Management system, starts with our government's roadmap for the future of New Brunswick that focuses on key priorities and the importance of public accountability.

GOVERNMENT PRIORITIES

Our vision for 2021-2022 is a vibrant and sustainable New Brunswick. To make progress towards this vision, we must focus on our government's priorities.

- Energize private sector
- Vibrant and sustainable communities
- Affordable, responsive and high-performing government
- Dependable public health care
- World-class education, and
- Environment

COVID RESPONSE

As part of GNB's priorities this past year, responding to the COVID-19 pandemic was at the forefront. Our department supported GNB in responding to the pandemic by deploying employees to critical staffing needs to assist with COVID-19 efforts across all sectors. This also included updating standard operating procedures to ensure continued adherence to public health guidelines. Throughout the year, the department adapted program delivery when necessary to maintain client service.

Highlights

During the 2021-2022 fiscal year, the Department of Natural Resources and Energy Development focused on these government priorities through:

- Evaluating, screening, and publishing for public comment more than 413,000 hectares of candidate conserved areas on Crown land as part of the Nature Legacy initiative. From this pool of candidates new Nature Legacy protected areas will be selected to meet the objective of permanently protecting 10 per cent of New Brunswick's land and freshwater for wildlife, biodiversity, and future generations.
- Modernizing the *Electricity Act* to provide NB Power with the tools to improve its fiscal health.
- Launching an Electric Vehicle Incentive Program with the Department of Environment and Local Government and NB Power.
- Increasing the total area under mineral claim by approximately 108,000 hectares (12 per cent) to reach 1,014,651 hectares.
- Developing and offering Canada's first and only bilingual online Hunter Education course.
- Launching the inaugural 12-day New Brunswick wild turkey hunting season, 4,819 applications were received for 400 licences in five Wildlife Management Zones.
- Introducing a new way to determine fire preparedness using Head Fire Intensity, as opposed to the legacy Fire Weather Index.

Performance Outcomes

The information below outlines some of the department's priorities and how we measured our performance.

Outcome #1

REDUCTION IN WORKPLACE RECORDABLE INCIDENT RATE (RIR) FOR ACCIDENTS AND INJURIES

Reduce the recordable incident rate (RIR) for workplace accidents and injuries by 10 per cent over two calendar years (by 2021) through targeted initiatives to improve safety culture within the department.

(RIR = number of employees per 100 full-time employees involved in a recordable injury or illness in a given year).

Why it is important?

The department is committed to a health and safety program that improves occupational health and safety, and prevents injury, accidents, and illness in the workplace. An active health and safety program protects employees, property, and visitors in the workplace. The department is required through legislation to ensure the health and safety of its employees. We are responsible to take every step possible to ensure employees return home at the end of each day without injury as a result of their workday.

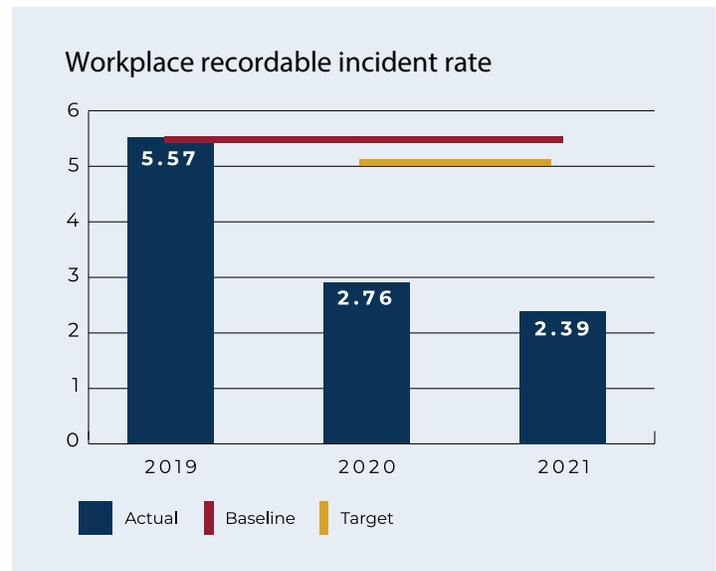
Overall Performance

During the 2021 calendar year, the overall safety performance RIR was reduced from 2.76 to 2.39, which equates to a 13.4 per cent reduction.

What Initiatives or projects were undertaken to achieve the outcome?

The department undertook a number of initiatives to reduce the RIR, including the following:

- Launched new Health and Safety bulletin boards in all offices.
- Implemented additional monthly safety talks to a minimum of three safety talks per month.
- Launched the safety alert program on a Microsoft Teams site.
- Launched a communication matrix to allow regions to communicate common safety concerns that arise.
- Ensured a timely response to all reported safety concerns brought forward.



Baseline: Recordable incident rate of 5.57 (2019)

Target: 10% reduction in recordable incident rate from 2019 (5.01)

Actual: 13.4% reduction in recordable incident rate (2.39)

Note: 2019 and 2020 numbers are updated from the 2020-2021 report

Outcome #2

FULLY UTILIZED CROWN ANNUAL ALLOWABLE CUT

On an annual basis, the department aims to have all available Crown roundwood, as defined by the sustainable annual allowable cut (AAC), fully consumed by wood processing facilities.

Why is it important?

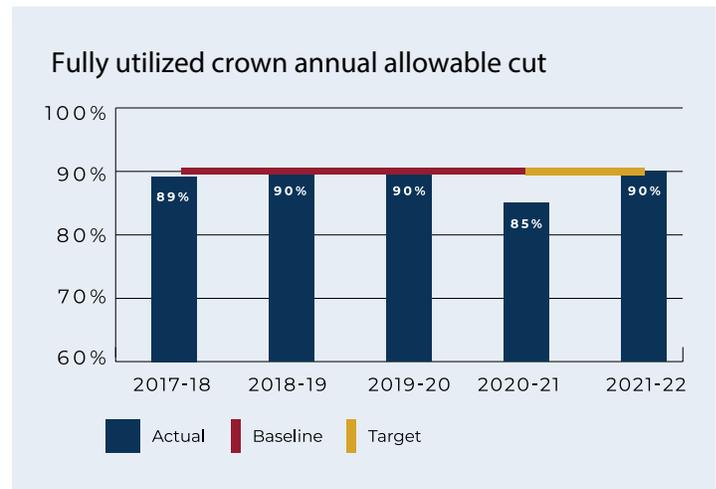
The volume of wood consumed each quarter provides insight on the wood flows through the year and it can be compared to consumption trends in previous years. Significant divergence from past trends may indicate required interventions (exports and temporary assignments) to help keep wood flowing to New Brunswick facilities.

Overall Performance

The annual volume harvested was 90 per cent of the AAC. A six per cent year-over-year increase in Crown timber deliveries to wood processing facilities occurred as a result of recovery following the COVID-19 lockdowns of 2020. This was led by significant increases in deliveries of softwood saw material.

What initiatives were undertaken to achieve the outcome?

The department has maintained actions from previous years to develop a process to better monitor wood flow trends and to improve and facilitate wood flow from Crown land. Export approvals and temporary assignments help the department work towards achieving the target of 90 per cent. These two measures allowed for approximately 460,500 m³ or nine per cent of total Crown wood to flow. Temporary assignments and exports totaled 311,500 m³ and 149,000 m³ respectively.



Baseline: 90% (2019-2020 actual)

Target: 90%

Actual: 90%

Outcome #3

INCREASE THE NUMBER OF ELECTRIC VEHICLES ON NEW BRUNSWICK ROADS

In the New Brunswick Climate Change Action Plan, the Province of New Brunswick committed to increasing the number of electric vehicles on the roads. The outstanding commitment is 20,000 vehicles by 2030.

Why is it important?

Transportation continues to be a major contributor of greenhouse gas emissions in New Brunswick. Electrifying light duty vehicles with available technology can help reduce emissions in the transportation sector.

Overall Performance

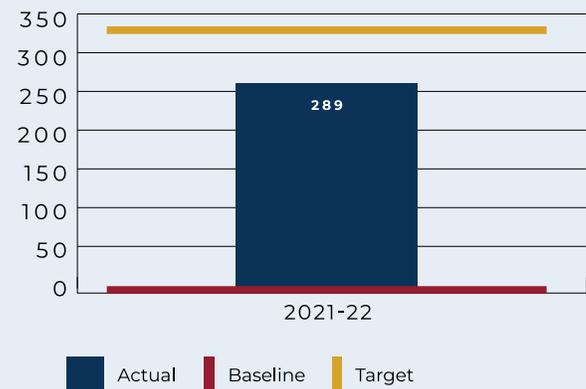
The program launched in July 2021, and NB Power, on behalf of the Province of New Brunswick, delivered 289 incentives for electric and plug-in hybrid electric qualifying vehicles. In addition, 98 home charger incentives were delivered.

What initiatives were undertaken to achieve the outcome?

The department secured funding from the Climate Change Fund for the implementation of a rebate program for electric vehicles and smart home chargers. The goal of the program is to incent the purchase of qualifying vehicles and home chargers. Administration, marketing, outreach and education were undertaken by NB Power.

2021-2022 continued to see supply chain issues for electric vehicles that limited the supply throughout the year. The department expects an increased number of incentives throughout 2022-2023 and will continue to report on the outcomes.

Incentives for electric and plug-in hybrid electric qualifying vehicles



Baseline: 0

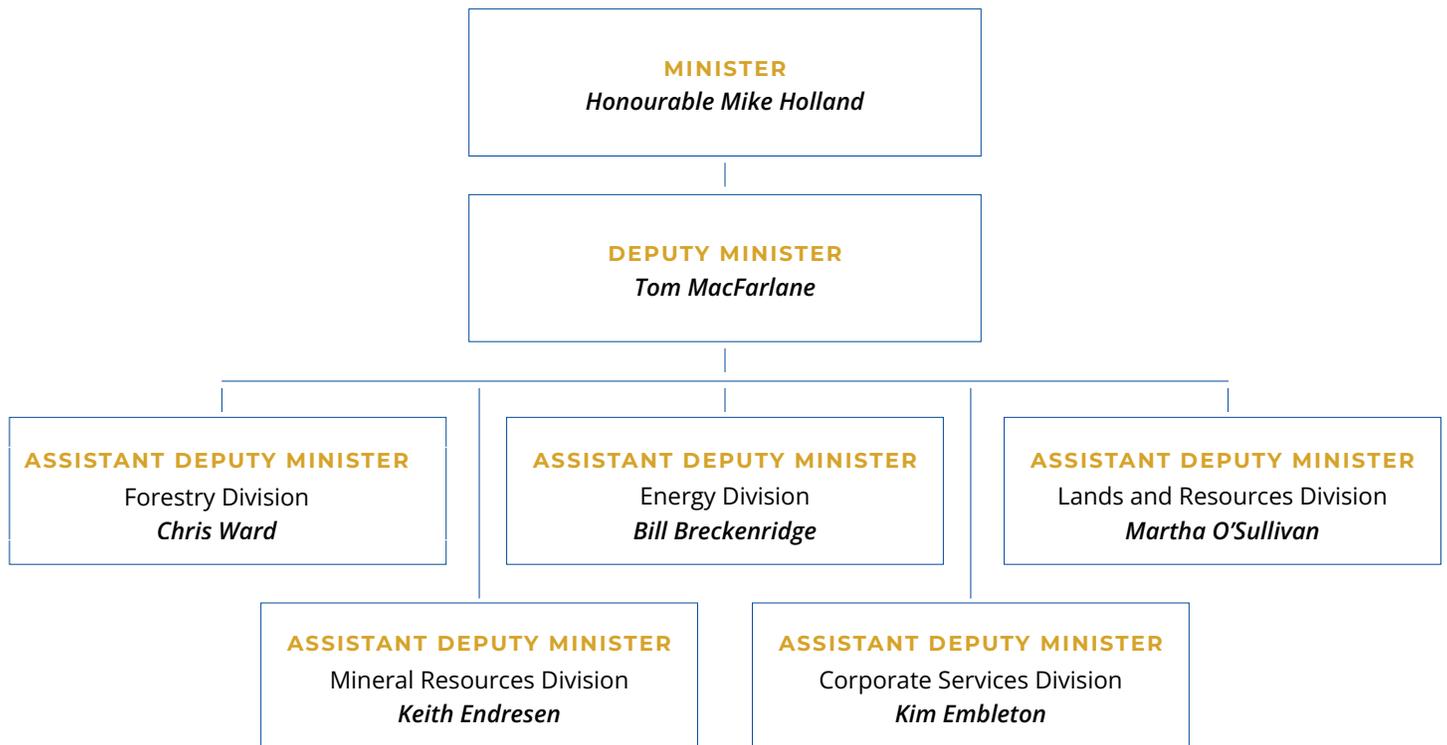
Target: 330 incentives

Actual: 289 incentives

Overview of departmental operations

The mandate of the Department of Natural Resources and Energy Development is to support, manage and protect the forests, fish and wildlife of New Brunswick and to develop and manage the province's energy and mineral resources.

HIGH-LEVEL ORGANIZATIONAL CHART



Division overview and highlights

The budget and expenses for the common administration of the Departments of Natural Resources and Energy Development and Agriculture, Aquaculture and Fisheries are recorded in the 2021-2022 annual report for the Department of Natural Resources and Energy Development. The common administration applies to the Corporate Services Division.

FORESTRY DIVISION

The Forestry Division is responsible for the sustainable management and protection of New Brunswick's forests.

The Forest Planning and Stewardship Branch and the Forest Operations and Development Branch share these responsibilities.

The **Forest Planning and Stewardship Branch** is responsible for the acquisition and analysis of inventory data that characterizes forests and other terrestrial ecosystems. The branch leads the strategic planning and resource modelling for timber and habitat supply over time and is responsible for the monitoring and protection of forest health through integrated pest management. The branch also leads the conservation effort for the province's natural biodiversity, with programs for the identification and recovery of species at risk, and through the management of a network of protected natural areas.

Highlights

- Detected and treated 75,755 hectares of hot-spot spruce budworm populations as part of the eighth year of New Brunswick's 'early intervention strategy' developed through the Healthy Forest Partnership. During the same year 11,000 hectares of defoliation were detected through traditional aerial and roadside surveys, and new approaches which leverage advances in satellite-based technology. New Brunswick's early intervention strategy is working to keep spruce budworm populations low and prevent harmful outbreaks.
- Developed and implemented an action plan for New Brunswick's most at-risk species that included:
 - 10 species assessed by the Committee on the Status of Species at Risk,
 - 11 species had feasibility of recovery assessments,

- 4 species had recovery strategies or management plans developed, and
- 1 species had new regulatory protections that resulted from a protection assessment.

The **Forest Operations and Development Branch** is responsible for the operational oversight of silviculture, roads, harvest operations, and timber harvested from Crown lands. The branch also operates the Kingsclear Tree Nursery, where approximately 16 million seedlings are grown each year. The branch is engaged daily with the forest sector on operational issues, but also leads strategic forest sector initiatives on behalf of the department.

Highlights

- Planted 250,000 incremental seedlings on Crown land under the Federal 2 Billion Trees program.
- Identified improvement opportunities and worked to reduce administrative costs associated with the Private Woodlot Silviculture program for efficient delivery.
- Assessed a total of 1,715 harvest, silviculture, and road construction sites where a total of 8,453 key performance indicators were evaluated and tracked. These on-site assessments led to the successful environmental certification of all Crown timber licences.
- Commenced a culvert and bridge inspection program on designated forest roads to improve protection from climate change.
- Developed an operational biomass availability model for Crown land taking into consideration distance from potential processing sites utilizing road network information.

ENERGY DIVISION

The Energy Division provides the regulatory structure for the managed development of the province's energy sector.

The **Energy Branch** is divided into three main areas: sustainability, electricity and petroleum; with sustainability crossing all aspects of branch activities. The branch is responsible to provide energy policies, regulations and legislation that allow the downstream energy sector to operate in the province and ensure everyone has access to safe and reliable energy at the lowest price possible without jeopardizing the continuity of supply.

The branch works closely with the Climate Change Secretariat to implement actions to reduce greenhouse gas emissions in the energy sector and to develop more sustainable energy policies for the province that include renewable energy, energy efficiency, and smart grid. The branch assists in determining the impacts and opportunities of federal greenhouse gas legislation and monitors the New Brunswick Energy and Utilities Board hearings to ensure provincial acts and regulations are working effectively.

Highlights

- Worked with Ontario, Saskatchewan and Alberta to launch A Strategic Plan for the Deployment of Small Modular Reactors. This was the final deliverable of the Memorandum of Understanding that was signed in 2019 and builds on the Feasibility of Small Modular Reactor Development and Deployment in Canada study that was released by the utilities in each province.
- As part of the *Electricity Act* amendments, regulations were developed to define how variance accounts would be created, managed, and recovered through electricity rates.
- Continued to work with Atlantic and Quebec colleagues, utilities and the federal government to release the Clean Power Roadmap for Atlantic Canada. The work followed the interim report released in October 2021 and has led to further work on the Atlantic Loop projects.

LANDS AND RESOURCES DIVISION

The Lands and Resources Division is responsible for the administration and management of programs and activities within the Fish and Wildlife Branch, the Regional Operations Branch, the Forest Fire Management Branch, and the Crown Lands Branch.

The **Fish and Wildlife Branch** administers programs related to the sustainable use of fish and wildlife resources in the province and manages hunting, trapping and angling activities. The branch is also responsible for fish and wildlife-related licensing and conservation education activities.

Highlights

- Stocked a full complement of fish province-wide, which included 191,410 brook trout and 2,825 landlocked salmon.
- Established Phase 2 of licence bundling, which created small game, deer-bear, and deer-varmint bundles for resident hunters at a reduced cost. This is in addition to the big game bundle introduced in 2020-2021.
- Implemented online registration for big game in Fall 2021.
- Amended and implemented changes to hunter orange requirements and legal hunting times, and modernized firearm caliber restrictions.

The **Regional Operations Branch** is responsible for activities and services associated with the operational delivery of forestry, fish and wildlife, forest fire management, and Crown land programs. The branch is divided into two regions, East Region and West Region. The regions are divided into 12 districts with 18 offices. The branch is also responsible for the department's land surveying duties.

Highlights

- During the height of the COVID-19 pandemic, Regional Operations staff members provided Incident Command, administrative, and task support to the Departments of Justice and Public Safety, Health, and Social Development.
- Realigned the administrative regions to two regions, East Region and West Region, to reflect current workplans and mandate of Regional Operations.

The **Forest Fire Management Branch** is responsible for the coordination, education and administration of the provincial forest fire protection and suppression program as well as coordination and support for departmental vehicles, departmental radio communications and small engine maintenance.

Highlights

- Strengthened partnerships with the New Brunswick Association of Fire Chiefs and local firefighter associations to improve integrated communication and operations.
- Piloted a project to refresh, and in the future automatically update, forest fuels layer to better understand and predict fire behaviour.
- Completed runway re-surfacing and upgrades to the Brockway Airstrip.
- Built a system to track staff fire training and experience to enable important succession planning.

The **Crown Lands Branch** is responsible for management of the province's Crown lands, including coastal and submerged lands. The branch administers the legal responsibilities and manages initiatives associated with Crown lands of New Brunswick, including all recreational and commercial land transactions, such as leasing, purchases, sales and exchanges. The branch also administers recreational trail maintenance programs (non-motorized, ATV and snowmobile).

Highlights

- Received and processed 208 applications for Crown land.
- Issued 274 leases (renewals or new) and 104 licences of occupation for Crown land.
- Partnered with the New Brunswick All-Terrain Vehicle Federation to continue to map the Trail Network.
- Continued to make infrastructure investments on the DNRED-owned former railway line recreational trail:
 - The Doaktown Bridge received new ties, deck and railing.
 - The Meduxnekeag Bridge Approach was repaired.
 - Five bridges were repaired on the Grog Line between Kedgwick and Tide Head.
 - Erosion and vegetation control occurred along parts of the Saint John River Line, as well as the Nashwaak and Oromocto Line.

MINERAL RESOURCES DIVISION

The Mineral Resources Division provides the geoscience and regulatory structure for the responsible development of the province's non-renewable resources.

The division consists of the Geological Surveys Branch and the Resource Development Branch.

The **Geological Surveys Branch** consists of three sections: Geological Surveys North, Geological Surveys South, and Promotions and Information Services. The branch is responsible for developing and maintaining a geoscience knowledge base and providing advice to the public and private sectors regarding mineral, peat, aggregate, and petroleum resources and land use. The branch actively promotes the province's mineral and petroleum resource potential to attract investment in the mineral and petroleum sectors by participating in national conferences and organizing the department's annual Exploration, Mining and Petroleum Conference. The branch also manages an extensive geological, mineral and petroleum resources database, publishes geoscientific information on New Brunswick, and administers an Exploration Assistance Program to stimulate mineral exploration in New Brunswick.

Highlights

- Completed the provincial Till Geochemistry Database that currently includes analytical data from 17,802 samples collected by branch staff from 1986 to 2021.
- Hosted the 46th annual Exploration, Mining and Petroleum Conference virtually, which comprised two days of oral and poster presentations on a variety of topics relative to minerals and energy in the province.
- Participated in virtual promotional activities to promote New Brunswick's mining sector at the 2022 Mineral Exploration Roundup.
- Provided approximately \$462,000 in assistance to junior mining companies to help fund 20 exploration projects and approximately \$282,000 to 52 prospectors through the New Brunswick Exploration Assistance Program.

The **Resource Development Branch** is composed of the Resource Tenure, Petroleum Resource Development, and the Mining and Mineral Resources sections. The branch provides oversight for the responsible exploration, development, and management of mineral and petroleum resources, as well as Crown peat and Crown aggregate resources, through the administration of departmental legislation.

Highlights

- Generated over \$3.5M in revenue from rents, fees, and royalties associated with mineral, hydrocarbon, Crown peat, and Crown aggregate resources in 2021.
- Maintained 450 active leases, licences, and permits, as well as 128 active work authorizations.
- Coordinated and released an update to the Responsible Environmental Management of Oil and Natural Gas Activities in New Brunswick – Rules for Industry.

CORPORATE SERVICES DIVISION

The Corporate Services Division provides direction and support in matters of human resources, financial services, policy, strategy, information and technology, and facilities management. The division consists of the Financial Services Branch, the Human Resource Services Branch, the Information Systems and Departmental Services Branch, the Strategic Planning and Intergovernmental Relations Branch, the Regulatory Affairs Branch, and the Performance Excellence Branch.

The **Financial Services Branch** is responsible for the department's financial resources, including expenditure and revenue management, budgeting, accounting and financial reporting services.

Highlights

- Supported the GNB Enterprise Resource Planning team and the department with the implementation of the Accounts Payable module of Oracle Fusion. This included how invoices are reviewed, coded, and approved as well as a change in the purchase card process.
- Implemented a new standardized monthly financial reporting process.

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

Highlights

- Supported GNB with critical staffing needs during the ongoing COVID-19 pandemic to ensure critical services could continue.
- Launched new Health and Safety bulletin boards in all offices.
- Launched a communication matrix to allow efficient notification of common safety concerns.

The **Information Systems and Departmental Services Branch** provides province-wide services to the department, including information technology, records management, information security, intranet management, facilities management, remotely piloted aircraft (drone) services and geographic information system services.

Highlights

- Provided a web portal to the public for viewing current provincial weather and fire conditions.
- Provided field applications for collecting information about the location and state of culverts, bridges and cross-drains.
- Supported continuous improvement efforts through revising, developing and training on standard operating procedures within records management, with emphasis on the complete restructure of departmental record transfers dating back to the early 1900's.

The **Strategic Planning and Intergovernmental Relations Branch** provides strategy development, strategic planning, and support for federal-provincial-territorial activities. The branch is also responsible for trade policy analysis, economic forecasting, monitoring, research, statistical analysis, reporting and providing support to the forestry, mining and energy branches. Additionally, the branch is responsible for the management of ministerial correspondence.

Highlights

- Provided support for the department when it assumed the role of Chair of the federal-provincial-territorial Canadian Council of Forest Ministers in the fall of 2021.
- Published (on-line) Sectors in Review Reports for Forestry, Mining and Energy for 2019, as well as the New Brunswick Energy and Natural Resources Export Highlights for 2020.

The **Regulatory Affairs Branch** provides leadership, coordination and support regarding the development of legislation, policy initiatives and proposals, and the Minister's legislative business. The branch also manages requests under the *Right to Information and Protection of Privacy Act* and provides support on privacy matters. The branch, in conjunction with the Strategic Planning and Intergovernmental Relations Branch, provides policy administrative support to the Department's Policy Management Committee.

Highlights

- Coordinated responses to 32 requests under the *Right to Information and Protection of Privacy Act*.
- Supported the department with two legislative changes, 12 regulatory changes, and other proposals.

The **Performance Excellence Branch** supports departmental programs to align efforts toward common goals, understand progress toward targeted outcomes, and conduct improvement projects to close gaps. This work is done by facilitators using process improvement, project management, change management, and other innovative techniques.

Highlights

- Worked with the Forest Fire Management Branch to coordinate efforts designed to offset climate change and meet commitments of the Climate Change Action Plan, using project management tools.
- Participated in GNB-wide efforts to enhance our capacity for change management and to compile and communicate lessons learned from management of the COVID-19 pandemic response.

Financial information

EXPENDITURES IN DETAIL 2021-2022 (\$) - ROUNDED (000'S)

ORDINARY PROGRAM	MAIN ESTIMATES	APPROPRIATION TRANSFERS*	FINAL BUDGET	ACTUAL	DIFFERENCE
Administration	8,186,000	567,100	8,753,100	7,926,100	(827,000)
Natural Resources	84,424,000	4,798,100	89,222,100	88,017,700	(1,204,400)
Energy and Mines	5,636,000	4,854,200	10,490,200	15,090,200	4,600,000
Land Management	3,038,000	198,400	3,236,400	3,028,200	(208,200)
Total 2021-2022	101,284,000	10,417,800	111,701,800	114,062,200	2,360,400

* Includes Special Warrant of \$3,450,300

CAPITAL PROGRAM	MAIN ESTIMATES	APPROPRIATION TRANSFERS	FINAL BUDGET	ACTUAL	DIFFERENCE
Mine Reclamation	250,000		250,000	-	(250,000)
Musquash Watershed Infrastructure	3,100,000		3,100,000	532,400	(2,567,600)
Sentier NB Trail Infrastructure	750,000		750,000	786,500	36,500
Total 2021-2022	4,100,000	-	4,100,000	1,318,900	(2,781,100)

SPECIAL PURPOSE PROGRAM	MAIN ESTIMATES	APPROPRIATION TRANSFERS	FINAL BUDGET	ACTUAL	DIFFERENCE
Wildlife Trust Fund	1,400,000		1,400,000	1,697,400	297,400
Recoverable Projects	1,577,000		1,577,000	948,700	(628,300)
Trail Management Trust Fund	1,700,000		1,700,000	1,875,800	175,800
Total 2021-2022	4,677,000	-	4,677,000	4,521,900	(155,100)

REVENUE IN DETAIL 2021-2022 (\$)

REVENUE	MAIN ESTIMATES	APPROPRIATION TRANSFERS	FINAL BUDGET	ACTUAL	DIFFERENCE
Return on Investment	126,000		126,000	16,100	(109,900)
Licences and Permits	5,632,000		5,632,000	7,464,400	1,832,400
Sales of Goods and Services	6,087,000		6,087,000	5,362,300	(724,700)
Royalties	70,085,000		70,085,000	77,755,400	7,670,400
Fines and Penalties	238,000		238,000	157,400	(80,600)
Miscellaneous	20,000		20,000	(66,600)	(86,600)
Total 2021-2022	82,188,000	-	82,188,000	90,689,000	8,501,000

CAPITAL ACCOUNTS	MAIN ESTIMATES	APPROPRIATION TRANSFERS	FINAL BUDGET	ACTUAL	DIFFERENCE
Capital Recoveries - Own Source	100,000		100,000	28,600	(71,400)
Total 2021-2022	100,000	-	100,000	28,600	(71,400)

SPECIAL PURPOSE PROGRAM	MAIN ESTIMATES	APPROPRIATION TRANSFERS	FINAL BUDGET	ACTUAL	DIFFERENCE
Conditional Grants - Canada	1,577,000		1,577,000	948,700	(628,300)
Return on Investment	15,000		15,000	3,900	(11,100)
Licences and Permits	3,210,000		3,210,000	3,491,500	281,500
Sales of Goods and Services	5,000		5,000	-	(5,000)
Miscellaneous	-		-	5,800	5,800
Total 2021-2022	4,807,000	-	4,807,000	4,449,900	(357,100)

Summary of staffing activity

Pursuant to section 4 of the *Civil Service Act*, the Secretary to Treasury Board delegates staffing to each Deputy Head for his or her respective department(s). Please find below a summary of the staffing activity for 2021-2022 for the Department of Natural Resources and Energy Development.

NUMBER OF PERMANENT AND TEMPORARY EMPLOYEES AS OF DEC. 31 OF EACH YEAR		
EMPLOYEE TYPE	2021	2020
Permanent	422	423*
Temporary	66	62
TOTAL	488	485*

* Updated from the 2020-2021 report.

The department advertised 23 competitions, including nine open (public) competitions and 14 closed (internal) competitions.

Pursuant to sections 15 and 16 of the *Civil Service Act*, the department made the following appointments using processes to establish merit other than the competitive process:

APPOINTMENT TYPE	APPOINTMENT DESCRIPTION	SECTION OF THE CIVIL SERVICE ACT	NUMBER
Specialized Professional, Scientific or Technical	An appointment may be made without competition when a position requires: <ul style="list-style-type: none"> a high degree of expertise and training a high degree of technical skill recognized experts in their field 	15(1)	0
Equal Employment Opportunity Program	Provides Aboriginals, persons with disabilities and members of a visible minority group with equal access to employment, training and advancement opportunities.	16(1)(a)	4
Department Talent Management Program	Permanent employees identified in corporate and departmental talent pools, who meet the four-point criteria for assessing talent, namely performance, readiness, willingness and criticalness.	16(1)(b)	1
Lateral transfer	The GNB transfer process facilitates the transfer of employees from within Part 1, 2 (school districts) and 3 (hospital authorities) of the Public Service.	16(1) or 16(1)(c)	11
Regular appointment of casual/temporary	An individual hired on a casual or temporary basis under section 17 may be appointed without competition to a regular properly classified position within the Civil Service.	16(1)(d)(i)	1
Regular appointment of students/ apprentices	Summer students, university or community college co-op students or apprentices may be appointed without competition to an entry level position within the Civil Service.	16(1)(d)(ii)	0

Pursuant to section 33 of the *Civil Service Act*, no complaints alleging favouritism were made to the Deputy Head of the Department of Natural Resources and Energy Development and no complaints were submitted to the Ombud.

Summary of legislation and legislative activity

BILL #	NAME OF LEGISLATION	DATE OF ROYAL ASSENT	SUMMARY OF CHANGES
37	<i>An Act to Amend the Fish and Wildlife Act</i> Chap-12.pdf	June 11, 2021	Amendments made to the <i>Fish and Wildlife Act</i> to: <ul style="list-style-type: none"> Amend the definition of a registration permit, to accommodate the development of an online harvest registration system; and Remove the defined list of sunrise and sunset times, requiring hunters to use actual sunrise and sunset times at a given location to determine legal hunting time.
77	<i>An Act to Amend the Electricity Act</i> Chap-42.pdf	December 17, 2021	Amendments to the <i>Electricity Act</i> to: <ul style="list-style-type: none"> Adjust the corporate structure of NB Power through the creation of a holding corporation (Holdco); Transfer shares of NB Power to Holdco subject to the Lieutenant-Governor in Council's approval or prior approval by the New Brunswick Energy and Utilities Board; and Grant authority to Holdco to incorporate subsidiaries, and to enter into partnerships, joint ventures or other similar arrangements and using such subsidiaries subject to the approval of the Lieutenant-Governor in Council.

NAME OF REGULATION	EFFECTIVE DATE	SUMMARY OF CHANGES
Amendments to the Electricity from Renewable Resources Regulation (2015-60) under the <i>Electricity Act</i>	April 1, 2021	Amended to: <ul style="list-style-type: none"> Adjust the prescribed purchase price NB Power pays for eligible electricity under the Large Industrial Renewable Energy Purchase Program; and Limit participation in the program to the pulp and paper industry.
Amendments to the Hunting Regulation (84-133) and the General Angling Regulation (82-103) under the <i>Fish and Wildlife Act</i> Amendments to the General Regulation (91-50) under the <i>Provincial Offences Procedure Act</i>	April 12, 2021	Amended to: <ul style="list-style-type: none"> Establish the following resident-only licence bundles at discounted rates: deer and bear licence bundle in 2021; a deer and varmint bundle, and a small game bundle that includes bird and small game (Class 4) and varmint licences in 2022; and Include provisions in the General Angling Regulation to permit the issuance of live release licences associated with Crown Reserve. Make it a prescribed offence to kill a fish under a live release licence.

NAME OF REGULATION	EFFECTIVE DATE	SUMMARY OF CHANGES
<p>Amendments to the Hunting Regulation (84-133) and the General Angling Regulation (82-103) under the <i>Fish and Wildlife Act</i></p> <p>Amendments to the General Regulation (91-50) under the <i>Provincial Offences Procedure Act</i></p>	August 24, 2021	<p>Amended to:</p> <ul style="list-style-type: none"> • Simplify the specifications concerning the calibre of firearms and ammunition which are used while hunting certain wildlife species, or under certain licences. • Repeal offences that were eliminated because of the amendments noted above.
<p>Amendments to the Hunting Regulation (84-133) and Moose Hunting Regulation (94-47) under the <i>Fish and Wildlife Act</i></p>	August 24, 2021	<p>Amended to:</p> <ul style="list-style-type: none"> • Allow for issuance of registration permits for harvested deer, bear and moose through an online system, thus allowing the hunter to print their registration permits at home, for themselves, and a copy for the cold storage/meat processing facility the hunter chooses to process their game carcass.
<p>Amendments to the Hunter Orange Regulation (81-58) under the <i>Fish and Wildlife Act</i></p> <p>Amendments to the General Regulation (91-50) under the <i>Provincial Offences Procedure Act</i></p>	August 24, 2021	<p>Amended to:</p> <ul style="list-style-type: none"> • Allow bow and crossbow hunters hunting antlered or antlerless deer from a tree stand or a ground blind during the deer archery season only to be exempt from the hunter orange requirement; and • Allow all other hunters/hunting seasons to wear camouflage blaze orange exterior garment in place of solid hunter orange - to be worn above the waist, not less than 2,580 cm² in total exposed to view, clearly visible from all directions. A solid hunter orange hat is still required. • As a consequence of the amendment above, amended to allow for camouflage blaze orange clothing above the waist.
<p>Amendments to the General Regulation (95-70) under the <i>Energy Efficiency Act</i></p>	September 1, 2021	<p>Amended to:</p> <ul style="list-style-type: none"> • Enable ongoing harmonization with the federally legislated energy-using products and their respective efficiency standards; • Remove select items that are currently regulated under Regulation (95-70); • Automatically incorporate the federal list of energy-using products and their associated standards contained in the <i>Energy Efficiency Regulations – Energy Efficiency Act (Canada)</i> on an ongoing basis; and • Ensure the Minister has the means to create exemptions or add standards by Regulation.
<p>Amendments to the General Regulation (93-92) under the <i>Quarriable Substances Act</i></p>	February 23, 2022	<p>Amended to:</p> <ul style="list-style-type: none"> • Align with Statistics Canada’s new mineral production, shipments and value table to determine peat royalty rates.
<p>Amendment to the Moose Hunting Regulation (94-47) under the <i>Fish and Wildlife Act</i></p>	March 24, 2022	<p>Amended to:</p> <ul style="list-style-type: none"> • Remove the touch-tone telephone option for application to the resident moose draw.

NAME OF REGULATION	EFFECTIVE DATE	SUMMARY OF CHANGES
Created the Regulatory Variance Accounts and Deferral Account Regulation (2022-17) under the <i>Electricity Act</i>	March 24, 2022	Created to: <ul style="list-style-type: none"> • Establish accounts and provide structure on how NB Power can use them. • Establish the process for recovery of the accounts and any oversight by the Energy and Utilities Board.

The acts for which the department was responsible in 2021-2022 may be found at:

<https://laws.gnb.ca/en/deplinks?subjectnumber=5>

Summary of Official Languages activities

INTRODUCTION

The Department of Natural Resources and Energy Development has continued to work on its Official Languages action plan, which includes the four sectors of activity as identified in the [Plan on Official Languages – Official Bilingualism: A Fundamental Value](#). The following outlines the actions taken during 2021-2022 in each of the four areas of focus.

FOCUS 1

Ensure access to service of equal quality in English and French throughout the province:

- Employees were reminded of their legal obligation to offer service of equal quality in English and French in all locations.
- Linguistic profiles were maintained throughout the year and utilized during the hiring process to ensure the department's ability to provide services in both Official Languages throughout the province.

FOCUS 2

An environment and climate that encourages, for all employees, the use of the Official Language of their choice in their workplace:

- Communication, correspondence, and interactions with employees, such as performance appraisals, were delivered in their Official Language of choice.
- The department continued to encourage the use of both Official Languages for small meetings. For all large meetings, the department promoted bilingual presentations, or separate English and French sessions.

FOCUS 3

New and revised government programs and policies will take the realities of the province's official linguistic communities into account:

- Correspondence and information were provided to the public in the Official Language of their choice.

FOCUS 4

Ensure Public Service employees have a thorough knowledge and understanding of the *Official Languages Act*, relevant policies, regulations, and the province's obligations with respect to Official Languages:

- The Deputy Minister, and other management team members, reminded employees of their legal obligation to offer services in the Official Language of choice of the client. Employees were also reminded of the Language of Service Policy and Guidelines and the Official Languages Toolkit.
- As part of the ongoing process for employee orientation and performance management, employees were required to read the policies related to Official Languages.

CONCLUSION

The department understands its obligations under the *Official Languages Act* and related policies and strives to provide quality services to clients in both Official Languages. The department encourages and supports the use of both Official Languages in the workplace and invests in employee development through second-language training. The 2021-2022 year was a success as the department did not receive any official languages complaints.

Summary of recommendations from the Office of the Auditor General

SECTION 1

Includes the current reporting year and the previous year.

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
2021 V2 Chapter 2: Residential Energy Efficiency Programs – Department of Natural Resources and Energy Development, NB Power Chap2e.pdf (agnb-vgnb.ca)	2
IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
2.58 We recommend the Department work with NB Power to develop a sustainable funding model for all fuel energy efficiency programs.	The Department introduced <i>An Act to Amend the Electricity Act</i> to allow for the development of regulations that will include long term funding and electricity efficiency targets as well as more detailed reporting requirements.
2.69 We recommend the Department fully exercise its oversight authority over energy efficiency programs delivered by NB Power, through: <ul style="list-style-type: none"> mandating NB Power with implementation of the government's strategic directions on energy efficiency; and setting relevant short, medium and long-term performance expectations. 	The Department introduced <i>An Act to Amend the Electricity Act</i> to allow for the development of regulations that will include long term funding and electricity efficiency targets as well as more detailed reporting requirements.

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS
	TOTAL
2020 V1 Chapter 4: Department of Natural Resources and Energy Development – Follow-up: 2008 Timber Royalties Chap4e.pdf (agnb-vgnb.ca)	5
IMPLEMENTED RECOMMENDATIONS	ACTIONS TAKEN
4.85 We recommend the Department of Natural Resources and Energy Development ensure Crown timber royalty rates are reviewed annually and up-dated as required by the <i>Crown Lands and Forests Act</i> .	The Department reviewed royalty rates for the 2020-2021 and 2021-2022 fiscal years and did not make any changes to the Schedule A of Regulation 86-160.
4.107 We recommend the Department comply with the <i>Crown Lands and Forests Act</i> and reestablish an advisory board or, alternatively, undertake revisions to the Act and/or regulation to accurately address the ongoing status of the advisory board.	The Department initiated the process to re establish the advisory board as per the <i>Crown Lands and Forests Act</i> . The intent is to have the Advisory Board in place for the 2023-2024 fiscal.

RECOMMENDATIONS NOT IMPLEMENTED	CONSIDERATIONS
<p>4.51 We recommend the Department of Natural Resources and Energy Development develop a comprehensive Crown timber royalty rate-setting manual that includes, at a minimum:</p> <ul style="list-style-type: none"> • a detailed description of the stumpage appraisal methodology and associated processes in place to arrive at fair market values; and • examples of all calculations required to update Crown timber royalty rates. 	<p>The Department is committed to developing the royalty rate setting manual in 2022-2023 in time for the 2023-2024 fiscal year.</p>
<p>4.79 We recommend the Department of Natural Resources and Energy Development clearly define what “fair market value” means in the context of the <i>Crown Lands and Forests Act</i>, either through regulatory changes or Department policy.</p>	<p>The Department will work with the New Brunswick Forest Products Commission to define fair market value and include the definition as part of the royalty rate setting manual for 2023-2024 fiscal.</p>
<p>4.102 We recommend the Department of Natural Resources and Energy Development:</p> <ul style="list-style-type: none"> • undertake changes to the <i>Crown Lands and Forests Act</i> to give the Minister of Natural Resources and Energy Development authority to make more timely updates to Crown timber royalty rates to be more responsive to changes in the private wood stumpage market; and • work toward getting adequate real-time data and information from all sources to better facilitate accurate and timely changes to Crown timber royalty rates, if required. 	<p>The New Brunswick Forest Products Commission and the Department have significant stumpage data over an extended period of time indicating that prices do not fluctuate significantly within a year and even across years.</p> <p>The Department is currently working with the New Brunswick Forest Products Commission to have private woodlot stumpage information gathered on a monthly basis. The Department will consider more frequent changes if required.</p>

SECTION 2

Includes the reporting periods for years three, four and five.

NAME AND YEAR OF AUDIT AREA WITH LINK TO ONLINE DOCUMENT	RECOMMENDATIONS	
	TOTAL	IMPLEMENTED
<p>2019 V3 Chapter 7: Contaminated Sites Chap7e.pdf (agnb-vgnb.ca)</p>	2	2

Report on the *Public Interest Disclosure Act*

As provided under section 18(1) of the *Public Interest Disclosure Act*, the chief executive shall prepare a report of any disclosures of wrongdoing that have been made to a supervisor or designated officer of the portion of the public service for which the chief executive officer is responsible. The Department of Natural Resources and Energy Development received no disclosure of wrongdoing in the 2021-2022 fiscal year.

Appendix A: Silviculture

PRODUCTION AT THE KINGSCLEAR NURSERY AND THE ATLANTIC FOREST SEED CENTRE

YEAR	PRODUCTS			
	SEEDLINGS PRODUCED	SEED PRODUCED (KG)	SEED STORED (KG)	SEED STORED FOR CLIENTS (KG)
2021-2022	16,055,000	26	2,101	3,023
2020-2021	15,470,000	15	2,205	2,953
2019-2020	16,400,000	276	2,295	2,916

CROWN SILVICULTURE BY YEAR (HA)

YEAR	PLANTING-RELATED ACTIVITIES		PRE-COMMERCIAL THINNING
	TREE PLANTING	PLANTATION TENDING	
2021-2022	9,578	16,877	14,672
2020-2021	9,847	13,308	14,786
2019-2020	11,056	14,324	14,174

PRIVATE LAND SILVICULTURE BY YEAR (HA)

YEAR	PLANTING-RELATED ACTIVITIES			PRE-COMMERCIAL THINNING
	SITE PREPARATION	TREE PLANTING	PLANTATION TENDING	
2021-2022	1,556	1,671	1,195	2,115
2020-2021	1,244	1,466	952	2,611
2019-2020	1,210	1,328	914	2,668

Appendix B: Crown Harvesting

FOREST PRODUCTS HARVESTED FROM CROWN LANDS (M3)

YEAR	SPECIES GROUP	LICENSEES AND SUB-LICENSEES	FIRST NATIONS	SPECIAL PERMITS	TOTAL
2021-2022	Softwood	3,486,733	202,093	6,715	5,489,891
	Hardwood	1,706,670	59,886	27,794	
2020-2021	Softwood	3,184,753	199,595	7,033	5,210,732
	Hardwood	1,729,729	57,137	32,485	
2019-2020	Softwood	3,408,969	202,814	13,201	5,600,492
	Hardwood	1,895,206	52,876	27,426	

Appendix C: Fire

AREA DESTROYED BY FIRE IN HECTARES (HA) 2021, 2020, 2019

YEAR		EAST	WEST	TOTAL
2021	Fires	62	118	180
	ha	812	219	1,031
2020	Fires	205	257	462
	ha	1,081	308	1,389
2019	Fires	75	107	182
	ha	74	154	228

10-year average: 200 fires, 342.3 ha

2021 FIRES BY CAUSE

CAUSE	NUMBER	HA
Human/Industry	136	330
Lightning	8	30
Unknown	36	20

Appendix D: Fish and Wildlife

HUNTING LICENCES ISSUED

LICENCE TYPE ¹	DEER	MOOSE ²	BEAR	SMALL GAME	VARMINT	WILD TURKEY	MINORS ³
Resident	43,838	4,731	9,569	12,113	12,161	349	661
Designated Hunter	n/a	3,621	n/a	n/a	n/a	n/a	n/a
Non-Resident	198	99	479	335	12	n/a	n/a
Total 2021	44,036	8,451	10,048	12,448	12,173	349	661
Resident	45,109	4,732	7,372	12,486	11,791	n/a	727
Designated Hunter	n/a	3,570	n/a	n/a	n/a	n/a	n/a
Non-Resident	99	98	58	140	5	n/a	n/a
Total 2020	45,208	8,400	7,430	12,626	11,796	n/a	727
Resident	42,256	4,663	4,995	10,701	9,618	n/a	884
Designated Hunter	n/a	3,459	n/a	n/a	n/a	n/a	n/a
Non-Resident	692	100	2,382	425	12	n/a	n/a
Total 2019	42,948	8,222	7,377	11,126	9,630	n/a	884

¹ 7,325 licence bundles were sold in 2021-2022.

² Resident moose hunters may designate a hunter to accompany them. The bag limit for the party remains one moose.

³ The equivalent of a small game licence for person aged 12 to 15 years.

ANGLING LICENCES ISSUED

SPECIES	2021	2020	2019
Salmon	11,574	9,334	11,381
Angling (except Salmon) ⁴	53,218	57,377	48,839
Total	64,792	66,711	60,220

⁴ Includes ice/winter fishing licence sales.

DETAILS OF LICENCES ISSUED, 2021

ALL SEASONS	RESIDENT	NON-RESIDENT
Salmon	10,282	1,292
Angling (except Salmon) ⁵	51,232	1,986
CROWN RESERVE ⁶		RESIDENTS ONLY
Miramichi		2520 / 3724 Rod Days
Restigouche ⁷		1280 / 2940 Rod Days

⁵ Ice Fishing Licences – ice/winter fishing has been included in the season licences since 2020

⁶ Regular stretches

⁷ Patapedia numbers are included in the Restigouche Drainage