
Environment

BUSINESS PLAN 2006-09

ACCOUNTABILITY STATEMENT

The business plan for the three years commencing April 1, 2006 was prepared under my direction in accordance with the *Government Accountability Act* and the government's accounting policies. All of the government's policy decisions as of February 23, 2006 with material economic or fiscal implications of which I am aware have been considered in preparing the business plan.

The Ministry's priorities outlined in the business plan were developed in the context of the government's business and fiscal plans. I am committed to achieving the planned results laid out in this business plan.

[Original Signed]

Guy Boutilier, *Minister of Environment*
March 1, 2006

THE MINISTRY

The Ministry of Environment consists of the Department of Environment as the entity for government reporting purposes as well as the Environmental Appeals Board, which is a quasi-judicial board reporting to the Minister. In addition, three Delegated Administrative Organizations report to the Minister and operate with separate board governance and financial management. They are the Alberta Recycling Management Authority, the Beverage Container Management Board and the Alberta Used Oil Management Association.

The Ministry's authority to carry out its mandate is based on the *Environmental Protection and Enhancement Act*, the *Water Act* and the *Climate Change and Emissions Management Act*.

VISION

Alberta's environment sustains a high quality of life.

MISSION

Steward and protect Alberta's environment to sustain diverse ecosystems, healthy Albertans, strong communities and a prosperous economy.

LINK TO THE GOVERNMENT OF ALBERTA STRATEGIC BUSINESS PLAN

Alberta Environment is committed to achieving the Government of Alberta's Strategic Business Plan that sets out a vision of a vibrant and prosperous province where Albertans enjoy a superior quality of life and are confident about the future for themselves and their children. The key linkages between the Ministry of Environment's 2006-09 Business Plan and the Government of Alberta's (GOA) Strategic Business Plan are highlighted below.

GOA Strategic Business Plan Goal 11: The high quality of Alberta's environment will be sustained – The Ministry of Environment contributes to this goal by ensuring Albertans have a safe and sustainable supply of water and by taking effective action on climate change. The Ministry is also taking a leadership role in working with other ministries and key stakeholders to develop and implement sustainable resource and environmental management. Ensuring that Alberta has outcome-based management systems, integrated policies and streamlined regulatory processes is a strategic priority for the Ministry. The Ministry is committed to providing Albertans with exceptional leadership and service.

GOA Strategic Business Plan Goal 14: Alberta will have a supportive and sustainable infrastructure that promotes growth and enhances quality of life – The Ministry of Environment is linked to this goal as effective and sustainable infrastructure is essential to sustaining the high quality of Alberta's environment. Government owned and supported infrastructure is key to ensuring Albertans have effective water management facilities and infrastructure. The Ministry is committed to working with partners to ensure Albertans have the effective infrastructure required to sustain Alberta's environment.

GOA Strategic Business Plan Strategic Opportunity: Making Alberta the Best Place to Live, Work and Visit – Safe and adequate supplies of water, clean air and land, together with healthy, vibrant communities are the foundations of a high quality of life and form the core of the Ministry of Environment's 2006-09 Business Plan. Our three business plan goals and related strategies are closely aligned with the goals and commitments to Albertans in the Government of Alberta Strategic Business Plan, of which a clean natural environment is a key component. Our commitment to sustainable resource and environmental management and the use of innovative approaches and strategies to achieve better outcomes for air, water and land supports the government's plan.

VALUED BEHAVIOURS

The Ministry's values are reflected in our corporate and individual behaviors. They define how we treat our stakeholders, clients, partners, the public and each other.

Respect – We trust each other, respect the opinions of others, and others respect us.

Knowledge – We value informed decision-making based on clear problem definition, appropriate context, and shared information and analysis.

Continuous Learning – We acquire new skills that increase our capacity for improvement and innovation, and our ability to achieve corporate and personal goals.

Shared Responsibility – We work collaboratively with others to achieve environmental goals.

Integrity – We follow through on our commitments, providing reliable and ethical service.

Leadership – We model the way forward while encouraging and enabling others to be leaders.

SIGNIFICANT OPPORTUNITIES AND CHALLENGES

The Ministry of Environment is working collaboratively across government and with stakeholders to take a strategic systems approach to protecting and managing the environment. This approach focuses on sustainable resource and environmental management with the following five key elements:

- A high-level, **government-wide vision** for the environment with common goals, outcomes-based management systems, and integrated resource and environmental policies and strategies with coordinated implementation across ministries;
- A **place-based approach** that facilitates a cumulative approach to environmental decision-making and management practices, and integrates varying demands on resources;
- **Shared responsibility** for the environment with industry, communities, organizations, other governments, the public and the academic-scientific-technical community;
- Utilization of a more comprehensive, flexible set of **regulatory and non-regulatory tools and incentives** to encourage, support and reward effective environmental performance; and
- **Continuous improvement** in environmental performance and accountability.

The Ministry's approach to sustainable resource and environmental management is required to effectively respond to increasingly complex environmental challenges and risks. These include:

- **Public Expectations:** Albertans value their environment for the ecological, economic, recreational and social benefits it provides. They expect a safe and sufficient supply of water, clean air and productive land. Albertans also expect their government to effectively manage and protect the environment as a legacy for future generations. They want greater participation in shaping government policy and in delivering the programs that affect the quality of their lives.
- **Water:** There is increasing pressure on water usage and services fuelled by rapid economic and population growth in Alberta. The pressures include intensity of water use, water scarcity and management in flood situations requiring ecosystems protection, conservation of water and its efficient use. Surveys indicate that preferred solutions are ones that enhance the capacity of the local community to deal with its issues. The Ministry sees an opportunity to fully partner with citizens in stewardship and watershed planning activities through partnerships such as watershed councils and watershed stewardship groups.
- **Climate Change:** Public awareness of the need to respond to climate change continues to grow. Albertans have been leaders on this issue, and we must continue to contribute to solutions and influence national and international climate change policy. Our leadership in research on cleaner energy, carbon capture and gasification of coal is important on a global scale.
- **Site Decontamination/Reclamation:** There is a growing concern over the decontamination and reclamation of industrial sites and the associated liability. Albertans are looking to their government to ensure clean up of all contaminated sites, as they do not want to be left accountable for reclaiming industrial sites.
- **Environmental Hazards:** Recent significant environmental incidents, such as the major flood in southern Alberta and the spill incident at Wabamun Lake, emphasize the need for the Ministry to assess and manage environmental risks effectively to reduce the incidence of environmental hazards, and ensure that systems are in place to respond in a timely way when they occur. Albertans expect their government to act decisively when such incidents occur to ensure that the high quality of the environment is restored and maintained.

- **Environmental Outcomes:** The quality of the environment is affected by the environmental practices and behaviours of individuals, communities, industry and governments. The legislative mandate for natural resources and the environment is distributed among provincial ministries and other levels of government. Achieving desired environmental outcomes will therefore require the public and stakeholders to assume a shared responsibility for the environment, and ministries and governments to take coordinated action to achieve desired environmental outcomes. We will create awareness and educate Albertans to accomplish behavioral change.

STRATEGIC PRIORITIES 2006-09

Through the Ministry's review of environmental factors, the following strategic priorities have been identified. These are in addition to the important ongoing core activities of the Ministry.

- 1. Water**

Linkage:
Goals 1, 2 and 3

Albertans have a safe and sustainable supply of water

With its partners, the Ministry of Environment leads effective management of the quality and quantity of our water resources and ensures healthy aquatic ecosystems. The Ministry's priority is to implement the provincial water strategy, *Water for Life: Alberta's Strategy for Sustainability*.
- 2. Climate Change**

Linkage:
Goals 1 and 3

Alberta takes effective action on climate change

The Ministry, in partnership with other governments, industries and communities, works toward innovative and practical long-term solutions. Our priority is to implement the provincial climate change plan, *Albertans & Climate Change: Taking Action*, including:

 - A focus on technology solutions; and
 - Strategic investments that help Alberta respond to climate change while developing a competitive economy.
- 3. Using and Respecting the Land**

Linkage: Goal 1

Alberta has an effective provincial land use framework

The Ministry is working with other ministries to develop a comprehensive provincial Land Use Framework for the effective management of competing land use interests to preserve Alberta's high quality of life and continued economic prosperity. We will work with other ministries to demonstrate resource conservation, resource recovery and waste reduction and promote the restoration of contaminated sites to productive use.
- 4. Sustainable Resource and Environmental Management**

Linkage:
Goals 1, 2 and 3

Alberta has outcome-based environmental management systems, integrated resource and environmental policies, and streamlined regulatory processes

The Ministry is committed to continuously improve Alberta's environment by working collaboratively with Sustainable Resource Development, Energy, other ministries and stakeholders for improved sustainable resource and environmental management including:

 - Developing shared outcomes;
 - Integrating policies within and across ministries, media and sectors;
 - Delivering efficient and effective services to Albertans;
 - Enhancing Albertans' awareness, understanding and wise use of the environment by providing reliable and accessible environmental information and education; and
 - Reducing regulatory duplication.

Effective environmental management also requires performance measurement, risk management and program evaluation to demonstrate progress to Albertans in achieving environmental outcomes and goals.

5. Staff Capability

Linkage:
Goals 1, 2 and 3

Albertans receive exceptional leadership and service from Ministry of Environment staff to assure effective environmental management

The Ministry is dedicated to developing all employees and enhancing their leadership capacity. Our *People Plan* supports sustainable resource and environmental management through leading, learning and healthy workplace strategies. The Ministry aligns its human resource practices with the Government of Alberta's goals and priorities.

CORE BUSINESSES, GOALS, STRATEGIES & PERFORMANCE MEASURES

Core Business One: Assuring Environmental Quality

The Ministry ensures that the environment is clean and safe for current and future generations of Albertans. Ministry programs that support this core business include approvals, compliance and enforcement, monitoring and evaluation, standards, drinking water, water operations, business planning and performance, innovation and policy, and reclamation and emergency preparedness.

GOAL ONE **1** Alberta's environment is clean and safe

What it means A clean environment sustains our ecosystems and provides a high quality of life for current and future generations. The Ministry works with others to set, achieve and report on key environmental outcomes. The Ministry also manages environmental risks and ensures a timely and coordinated response to environmental emergencies.

Strategies

Water

- 1.1 Work with other ministries, governments and stakeholders to implement *Water for Life: Alberta's Strategy For Sustainability*, including:
 - Developing and implementing a comprehensive, phased, long-term strategy to protect Albertans' drinking water;
 - Using a place-based approach, establish water management objectives and priorities in watershed plans to sustain healthy aquatic ecosystems and support sustainable economic development; and
 - Supporting best management practices in all sectors to improve the efficiency and productivity of water use.
- 1.2 Support Alberta's water infrastructure sustainability by:
 - Operating and maintaining provincially-owned water infrastructure;
 - Developing and implementing a management and reporting system (Environment Infrastructure Management System); and
 - Working with municipalities and other ministries to respond to needs for infrastructure improvements.
- 1.3 Review current policy and regulations for coalbed methane development, and respond to recommendations from the Multi-Stakeholder Advisory Committee pertaining to water management.
- 1.4 Effectively manage the impact of droughts, floods and major spills in coordination with Emergency Management Alberta.

Climate Change

- 1.5 Make Alberta a leader in energy efficiency improvements, carbon management strategies and adapting to climate change and variability.

Air

- 1.6 Enhance Alberta's comprehensive air management system by updating policies to maintain and improve Alberta's air quality.

Using and Respecting the Land

- 1.7 Contribute to the development and implementation of an effective government-wide provincial land use strategy.
- 1.8 Demonstrate leadership in resource conservation, resource recovery and waste reduction.
- 1.9 Resolve contamination and liability issues through flexible tools and incentives promoting the restoration of contaminated sites to productive use, in response to the recommendations of the Contaminated Sites Stakeholder Advisory Committee.

Sustainable Resource and Environmental Management

- 1.10 Work with other ministries and stakeholders to further develop shared environmental outcomes, and integrate cross-ministry policies and information systems, including:
 - Delivering solutions in accordance with the Government of Alberta's Integrated Information Systems and the Information Management Framework to address the priority information needs of the Ministry, stakeholders and clients;
 - Recommending an integrated framework and improved delivery system for upstream oil and gas development, which improves clarity, efficiency, certainty, and accountability for industry and government, and is open and transparent to the public;
 - Working with the Departments of Energy and Sustainable Resource Development in the consultation and development of strategies for oil sands development and environmental management for the benefits of current and future generations; and
 - Commencing the Southern Alberta Sustainability Strategy. The outcomes of this project will be the definition of desired regional environmental outcomes for southern Alberta landscapes, achieved through consensus of a multi-stakeholder partnership.

Staff Capability

- 1.11 Update the primary business streams and identify skills required to support Sustainable Resource and Environmental Management.
- 1.12 Enhance leadership capacity, knowledge and skills for staff at all levels, to support continuous improvement in environmental performance.

Performance Measures	Last Actual (year)	Target 2006-07	Target 2007-08	Target 2008-09
1.a Drinking Water Safety Indicator Evaluates performance of facilities delivering safe drinking water, and demonstrates continuous improvement of facilities, in the way facilities are operated, and reporting on analytical results. ¹	FDS: 409 FOR: 45 WQ: 69 (2004-05)	FDS: 355 ² FOR: 20 WQ: 45	FDS: 380 FOR: 10 WQ: 40	FDS:410 FOR: 5 WQ: 35
1.b River Water Quality Index Evaluates the water quality of six major Alberta rivers at key sites, based on monthly data on four groups of variables (metals, bacteria, nutrients and pesticides), which are combined to provide an indication of overall water quality. ³	5 out of 6 river systems have "good" to "excellent" water quality (2003-04)	6 out of 6 river systems have "good"to "excellent" water quality	6 out of 6 river systems have "good"to "excellent" water quality	6 out of 6 river systems have "good"to "excellent" water quality
1.c Air Quality Index Evaluates the quality of Alberta's air based on five major pollutants: carbon monoxide, nitrogen dioxide, ozone, sulphur dioxide, and fine particulate matter - PM _{2.5} . ⁴	"Good" air quality days 98% of the time (2004)	"Good" air quality days 97% of the time	"Good" air quality days 97% of the time	"Good" air quality days 97% of the time
1.d Effective Water Management Infrastructure⁵ Measures the utilization (U), functional adequacy (FA) and physical condition (PC) of provincially owned water management infrastructure.	U: 99.8% FA: 95.1% PC: Good: 93.34% Fair: 6.14% Poor: 0.52% (2004-05)	U: 99.0% FA: 95.0% PC: Good: 93.0% Fair: 7.0% Poor: 0.0%	U: 99.0% FA: 95.0% PC: Good: 93.0% Fair: 7.0% Poor: 0.0%	U: 99.0% FA: 95.0% PC: Good: 93.0% Fair: 7.0% Poor: 0.0%
1.e Community Flood Risk Mapping Measures the number of flood risk mapping reports completed (R), and flood risk maps available on Environment's web site (W) for communities identified as having a flood risk. ⁶	R: 34 W: 35 (2003-04)	R: 38 W: 37	R: 40 W: 39	R: 42 W: 41

Notes:

- ¹ The indicator is comprised of three separate sub-measures: the Facility Design Standards measure (FDS) is the number of facilities meeting the most recent design standards; the Facility Operational Requirements measure (FOR) is the number of incidents where regulatory requirements have not been met that could lead to water quality incidents; and the Water Quality measure (WQ) is the number of water quality incidents.
- ² New standards for the Facility Design Standards (FDS) have been introduced for 2006, which are more stringent than the previous 1997 standards.
- ³ The index shows the relative differences in quality between rivers, between sites on the same river (e.g., stations upstream and downstream of major cities), and over time.
- ⁴ The Air Quality Index is calculated at eleven continuous monitoring stations, in Edmonton, Calgary, Fort Saskatchewan, Lethbridge, Red Deer and Fort McMurray.
- ⁵ Includes headworks, dams and irrigation canals as of April 2005. "Good" is defined as adequate for intended use and expected to provide continued service life with average maintenance. "Fair" means aging components are nearing the end of their life cycle requiring additional expenditure for renewal or refurbishing. "Poor" means upgrading is required to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.
- ⁶ Flood risk mapping integrates the hydrological assessment of the flood risk, topographic data, historical flood records assessment, hydraulic modeling and model mapping to terrain maps. This is followed by municipality review, consultation on designation and community assistance.

What it means The Ministry has the capacity, tools, and frameworks to effectively support achievement of environmental outcomes. The Ministry and its partners provide excellent service to stakeholders, clients and the public.

Strategies

Water

- 2.1 Implement and enable delivery of a broad range of water management tools and techniques.
- 2.2 Continue to improve the resources available to communities for flood risk avoidance and warning.

Sustainable Resource and Environmental Management

- 2.3 Develop and use regulatory and non-regulatory tools and incentives to encourage, support and reward good environmental performance.
- 2.4 Develop and implement a Third Party Contracting Program to support and assist the Ministry's efforts to review major projects.
- 2.5 Review processes and increase capacity to continuously improve and integrate the regulatory regime, including clarifying approval requirements, and evaluating and streamlining reporting requirements.
- 2.6 In response to the recommendations of the Environmental Protection Commission, build Ministry capacity to support all-hazards environmental incident planning and response systems throughout the province, and improve business continuity planning and preparedness, in partnership with Emergency Management Alberta, and other government and stakeholder agencies.

Staff Capability

- 2.7 Target organizational training and development to enhance staff capability to provide effective service.
- 2.8 Implement the Ministry's Succession Management Framework and formalize knowledge management practices to ensure continuity of services.

Performance Measure	Last Actual 2004-05	Target 2006-07	Target 2007-08	Target 2008-09
2.a Stakeholder Satisfaction Percentage of stakeholders satisfied with Ministry programs and services based on survey results. ¹	55.4%	58%	n/a	60%

Note:

¹ A survey of stakeholders is conducted every two years.

Core Business Two: Sharing Environmental Management and Stewardship

Ensuring a high quality environment is a shared responsibility. The Ministry is committed to working with citizens to manage the environment for the benefit of current and future generations of Albertans. This includes sharing timely and credible information about the environment, so that Albertans can make informed decisions. Ministry programs that support this core business include *Water for Life*, climate change, educational awareness, integrated resource management, intergovernmental relationships and partnerships, and ministry support services.

GOAL THREE

3

Albertans work with others to safeguard the environment

What it means The Ministry works collaboratively with other ministries, governments, organizations, associations and communities to effectively manage the environment. With knowledge and opportunity, Albertans can be actively involved in caring for the environment.

Strategies

Water

- 3.1 Collaborate with partners to achieve the goals of *Water for Life: Alberta's Strategy for Sustainability*, including:
 - Supporting the work of the Alberta Water Council and the Watershed Planning and Advisory Councils on watershed management issues in the province; and
 - Supporting Watershed Stewardship Groups to improve the condition of local watersheds.
- 3.2 Help water-use sectors develop and implement water conservation and productivity plans to meet Alberta's water conservation targets, including:
 - Working with stakeholders to implement recommendations from the Advisory Committee on Water Use Practice and Policy pertaining to the reduction or elimination of freshwater use in oilfield injection activities.
- 3.3 Work with other ministries and stakeholders on policy and supporting action plans to achieve sustainable wetlands, including development of a comprehensive drained wetland inventory for the province.

Climate Change

- 3.4 Implement the provincial strategy, *Albertans & Climate Change: Taking Action*, by working with stakeholders on innovative and practical long-term solutions to address the risks of climate change, including:
 - Working with other governments in developing bilateral, national and international climate change policies.

Air

- 3.5 Work towards the completion of airshed zones using a place-based approach.
- 3.6 Collaborate through the Clean Air Strategic Alliance to develop plans to maintain and improve Alberta's air quality by:
 - Developing a strategic air quality management plan for confined feeding operations;
 - Increasing the use of renewable and alternate electricity generation; and
 - Assisting in the implementation of the Human Health and Animal Health recommendations.

Sustainable Resource and Environmental Management

- 3.7 Develop and enhance collaboration and partnership with other ministries, governments, Aboriginal and other stakeholders to achieve shared environmental outcomes by:
- Developing and implementing Alberta Environment's First Nations Consultation Guidelines;
 - Supporting the work of the Canadian Council of Ministers of the Environment (CCME);
 - Continuing to implement the Alberta/British Columbia Harmonization Agreement;
 - Supporting the Rural Development Strategy by working to improve air, land and water management in rural communities; and
 - Encouraging the use of stewardship endowments and trusts to support a high quality environment.
- 3.8 Develop fully functioning regional cumulative effects management systems for specific areas of the province, in collaboration with other ministries, governments, Aboriginals and stakeholders.
- 3.9 Encourage broader awareness and stewardship of the environment by:
- Supporting public awareness and education programs; and
 - Providing online access to environmental information.
- 3.10 Develop and deliver a provincial conservation plan focusing on the areas of waste, energy conservation, and water. This approach will include:
- An extensive public education and awareness campaign aimed at motivating, educating and mobilizing all Albertans to reduce waste, conserve our resources and protect our environment; and
 - A road-map outlining Alberta's strategies and actions for improved waste management, now and in the future.

Staff Capability

- 3.11 Ensure Environment staff members have the knowledge, skills and opportunities to be strategic facilitators and relationship builders.
- 3.12 Support the Ministry's vision and valued behaviors through the Workplace Culture Action Plan.

Performance Measures	Last Actual (year)	Target 2006-07	Target 2007-08	Target 2008-09
3.a Municipal Solid Waste to Landfills Measures Alberta's progress towards meeting continuous reduction of municipal solid waste placed in landfills as measured in kilograms of waste per capita. Annual targets will be based on a 2010 goal to reduce volume of waste disposed in landfills to 500 kilograms per capita.	800 kg per capita (2004)	770 kg per capita	690 kg per capita	650 kg per capita
3.b New Renewable and Alternative Energy Generation Measures incremental renewable and alternative energy generation since 2001, expressed as a percentage of total provincial electrical energy (MWh)	1.2% (2003)	2.5%	3.0%	3.5%
3.c Beverage Container Return Rate Measures the return rate of beverage containers each year based on sales and returns. ¹	80% (2004)	85%	85%	85%
3.d Used Oil Recovery Rate Measures the recovery rate of used oil each year expressed as a percentage of the estimated volume of recoverable oil and quantity recovered. ²	76.9% (2004)	75.5%	76%	80%

Sources:

¹ Beverage Container Management Board

² Alberta Used Oil Management Association

Water Use Efficiency and Productivity Indicator (under development) - Compares the amount of water used in relation to economic productivity and population growth. Targets will be determined relative to a 2015 target of 30% improvement over 2005 levels.

EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable			2006-07 Estimate	2007-08 Target	2008-09 Target
	2004-05 Actual	2005-06 Budget	2005-06 Forecast			
Assuring Environmental Quality	84,093	95,556	95,563	98,490	99,840	102,340
Sharing Environmental Management and Stewardship	45,966	39,523	44,931	44,140	43,320	43,320
MINISTRY EXPENSE	130,059	135,079	140,494	142,630	143,160	145,660

MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2006-07 Estimate	2007-08 Target	2008-09 Target
	2004-05 Actual	2005-06 Budget	2005-06 Forecast			
REVENUE						
Internal Government Transfers	4,065	5,425	5,425	4,225	3,175	3,175
Premiums, Fees and Licences	1,831	2,322	2,322	3,738	5,138	6,528
Other Revenue	2,285	1,081	1,081	1,098	1,098	1,098
MINISTRY REVENUE	8,181	8,828	8,828	9,061	9,411	10,801
EXPENSE						
Program						
Approvals	12,443	13,441	13,441	15,149	16,349	17,749
Compliance and Enforcement	8,211	9,065	9,072	8,575	8,575	8,575
Monitoring and Evaluation	12,743	17,179	17,179	18,741	18,741	18,741
Standards	5,905	5,560	5,560	5,770	5,770	5,770
Water Operations	10,855	12,851	12,851	11,987	11,987	11,987
Business Planning and Performance	2,136	2,543	2,543	2,087	2,087	2,087
Innovation and Policy	7,854	8,819	8,819	10,647	10,647	10,647
Drinking Water	1,707	1,712	1,712	1,748	1,748	1,748
Reclamation and Emergency Preparedness	4,065	4,925	4,925	3,725	2,675	2,675
Water for Life	3,668	5,127	5,127	8,810	8,810	8,810
Climate Change	3,990	3,557	3,557	3,600	3,600	3,600
Educational Awareness	7,566	7,853	7,853	8,566	8,566	8,566
Integrated Resource Management	4,960	5,991	5,991	6,951	6,951	6,951
Intergovernmental Relationships and Partnerships	13,546	3,510	8,710	3,642	3,842	3,842
Ministry Support Services	12,012	13,386	13,594	12,472	11,452	11,452
Amortization of Capital Assets	18,174	19,461	19,461	20,061	21,261	22,361
Valuation Adjustments and Other Provisions	224	99	99	99	99	99
MINISTRY EXPENSE	130,059	135,079	140,494	142,630	143,160	145,660
Gain (Loss) on Disposal of Capital Assets	(12)	-	-	-	-	-
NET OPERATING RESULT	(121,890)	(126,251)	(131,666)	(133,569)	(133,749)	(134,859)

CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable			2006-07 Estimate	2007-08 Target	2008-09 Target
	2004-05 Actual	2005-06 Budget	2005-06 Forecast			
Ministry Revenue	8,181	8,828	8,828	9,061	9,411	10,801
<i>Inter-ministry consolidation adjustments</i>	(4,065)	(5,425)	(5,425)	(4,225)	(3,175)	(3,175)
Consolidated Revenue	4,116	3,403	3,403	4,836	6,236	7,626
Ministry Expense	130,059	135,079	140,494	142,630	143,160	145,660
<i>Inter-ministry consolidation adjustments</i>	-	-	-	-	-	-
Consolidated Expense	130,059	135,079	140,494	142,630	143,160	145,660
Gain (Loss) on Disposal of Capital Assets	(12)	-	-	-	-	-
CONSOLIDATED NET OPERATING RESULT	(125,955)	(131,676)	(137,091)	(137,794)	(136,924)	(138,034)