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# Sustainable Resource Development

BUSINESS PLAN 2003-06

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## ACCOUNTABILITY STATEMENT

The Business Plan for the three years commencing April 1, 2003 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 March 19, 2003 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]*

Mike Cardinal, *Minister of Sustainable Resource Development*  
March 19, 2003

## THE MINISTRY

The Ministry consists of the department of Sustainable Resource Development (SRD), the Natural Resources Conservation Board (NRCB), the Surface Rights Board (SRB) and the Land Compensation Board (LCB).

The Ministry ensures that the values and benefits Albertans receive today from natural resources; and economic, recreational, cultural and social activities conducted on Alberta's public lands; are sustainable for future generations. Working with other Ministries, and within a strategic framework defined by 11 acts and associated regulations, SRD develops and implements policies on land use and resource development that respect a dynamic balance among conservation, development, access and opportunity.

## VISION

Alberta’s public lands, forests, rangelands, fish and wildlife resources are managed within a policy, administrative and regulatory framework that benefits both present and future Albertans.

## MISSION

To ensure the sustained contribution of benefits to Albertans from Alberta’s public land and natural resources.

## DEPARTMENT OF SUSTAINABLE RESOURCE DEVELOPMENT CORE BUSINESSES

The department of Sustainable Resource Development concentrates on five core businesses to achieve its mission of sustaining the benefits Albertans receive from public land and natural resources:

- **Forest Protection** protects the multiple values received from forests within the Forest Protection Area of the province by working cooperatively with municipalities, industry, and other stakeholders to prevent and suppress wildfires.
- **Forest Land and Resource Management** manages Alberta’s forests and forest lands benefits to support a full range of uses and values to Albertans, including timber production, energy extraction, wildlife habitat, livestock grazing and recreational uses.
- **Fish and Wildlife Management** manages Alberta’s fish and wildlife resources to preserve their intrinsic value to the environment as well as their recreational and economic importance to Albertans.
- **Rangeland Management** manages Alberta public rangelands to support a full range of uses and values that include livestock grazing, energy extraction, recreational use, and wildlife habitat.
- **Land Use Disposition Management** ensures that dispositions are efficiently and effectively managed to reflect balanced use and stewardship of Alberta’s public lands.

The department, through the delivery of these core business, broadly supports the goals outlined in the Government’s business plan and its overarching three core businesses of People, Prosperity and Preservation. This relationship between the department core businesses and the Government’s business plan goals is provided in Figure 1.

**Figure 1: Department of Sustainable Resource Development supports the Goals of the Government Business Plan.**

Government Business Plan Goals	Department of Sustainable Resource Development Core Businesses				
	Forest Protection	Forest Land and Resource Management	Fish and Wildlife Management	Rangeland Management	Land Use Disposition Management
Goal 7 - Alberta will have a prosperous economy.		✓		✓	✓
Goal 11 - The high quality of Alberta’s environment will be sustained.	✓	✓	✓	✓	✓

# GOALS AND STRATEGIC APPROACH

CORE  
BUSINESS  
ONE

## 1 Forest Protection

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**GOAL 1**      **Protect Alberta's forests and forest communities by preventing and suppressing wildfires.**

### Strategic Approach

- Provide a preparedness framework that enables the Province to respond to the event of wildfire in the Forest Protection Area of the province. Key elements of the framework include: effective policies, readiness/training, prevention, detection, and early response.
- Respond to the event of wildfire through a wildfire management regime that quickly contains and suppresses wildfires within the Forest Protection Area to minimize fire losses.
- Consider innovative approaches to address the volatility of costs related to fighting wildfires, such as a wildfire reinsurance program.
- Reduce the economic burden of wildfires on communities and their residents by implementing the Municipal Wildfire Assistance Program in partnership with Alberta Municipal Affairs.

CORE  
BUSINESS  
TWO

## 2 Forest Land and Resource Management

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**GOAL 2**      **Enhance the economic, environmental and social contributions of Alberta's forests and forest lands to Albertans.**

### Strategic Approach

- Provide a clear, balanced approach to forest management through a forestry policy, legislative and regulatory framework that maximizes the benefits Albertans accrue from forests and forest lands, while supporting opportunities that increase the forest land base, the amount of fibre extracted per unit area, and the value of forest products received per unit fibre.
- Ensure sustainable forest management through adaptive forest management planning and practices by government and industry, coupled with appropriate compliance and assurance mechanisms.
- Manage infestations of insect, disease and weed pests in Alberta's forests through effective detection and management strategies that recognize shared responsibility with industry, municipal and federal governments.
- Ensure Albertans receive an economic return for use of fibre produced on forested public lands.
- Increase the value of forest products produced from Alberta's forest resource through:
  - Unleashing innovation;
  - Competing in the global marketplace;
  - Leading in learning; and
  - Strengthening Alberta's economy.

## 3 Fish and Wildlife Management

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**GOAL 3** Enhance the economic, environmental and social contributions of Alberta's fish and wildlife resources to Albertans.

### Strategic Approach

- Provide a clear, balanced approach to fish and wildlife management through a fish and wildlife policy, legislative and regulatory framework that maximizes the benefits Albertans receive from these resources.
- Sustain the recreational enjoyment of fish and wildlife resources with appropriate allocation and licensing decisions.
- Mitigate and reduce negative interactions between wildlife and humans.
- Partner with Aboriginal communities to sustain traditional uses of fish and wildlife resources.
- Maintain up-to-date management plans for all game species and species at risk to ensure decision-making enhances the contribution of these resources to Albertans.
- Encourage sustainable fisheries by improving:
  - The viability of the commercial fishing industry;
  - Habitat maintenance and restoration;
  - The fish stocking system; and
  - Management information and public education.

## 4 Rangeland Management

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**GOAL 4** Enhance the economic, environmental and social contributions of Alberta's rangelands to Albertans.

### Strategic Approach

- Provide a clear, balanced approach to rangeland management through a rangeland management policy, legislative and regulatory framework that maximizes the benefits Albertans accrue from public rangelands.
- Ensure that Alberta's livestock industry has access to long-term, secure public rangeland grazing.
- Support sustainable range management practices and decisions through coordinated inventories, knowledge transfer and applied research programs.
- Encourage good stewardship practices by monitoring utilization of public rangelands.
- Manage public rangelands in a manner that supports the co-existence of multiple uses and resource values.

## 5 Land Use Disposition Management

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**GOAL 5** Optimize the long-term benefits (environmental, social and economic) that Albertans receive through effective, efficient disposition management.

### Strategic Approach

- Provide an integrated, balanced approach to land use through a land management policy, legislative and regulatory framework that maximizes the long-term benefits Albertans accrue from public lands.
- Encourage sustainable land use practices through integrated land use planning by government and industry.
- Ensure dispositions for the use of public lands are issued in a timely, effective manner with the appropriate and relevant conditions.

## CROSS-MINISTRY INITIATIVES

The mandate of the department can only be accomplished through effective partnerships and integrated delivery with other Ministries. Key priority cross-ministry initiatives that will continue as a focus for the department through the 2003-06 planning cycle include:

### **Aboriginal Policy Initiative**

Four of the core businesses of the department of SRD directly or indirectly support the achievement of this initiative. Aboriginal people's participation in resource-based economic activities is encouraged through fire-fighting training as well as employment and business opportunities; forest community timber programs; as well as integrated resource planning and consultation on Alberta's public lands and wildlife resources.


### **Economic Development Strategy**

All of the core businesses of the department of SRD directly or indirectly support the achievement of this initiative. The department demonstrates its commitment to the goals and objectives of the Economic Development Strategy by encouraging the use of new technologies in resource-based industries; the growth in value of manufactured forestry products shipments; the development of regional strategic frameworks that build on regional goals, priorities, and strengths and supporting the development of the rural development initiative strategy.

## PERFORMANCE MANAGEMENT FRAMEWORK

The performance management framework for the department uses the program logic model approach. This approach demonstrates the relationship among desired impact, inputs, core businesses, outputs, and outcomes. Figure 2 reflects the current status of the department's performance management framework, which continues to evolve as the department explores and develops a better understanding of its core businesses.

**Figure 2: Department of Sustainable Resource Development Performance Management Framework**  
*- linking what we do to why we do it.*

Inputs	Core Business / Processes	Outputs	Outcomes	Impacts
Knowledge Financial Resources Land Natural Resources	Forest Protection	<ul style="list-style-type: none"> <li>Fire losses from wildfires within the Forest Protection Area are minimized through:               <ul style="list-style-type: none"> <li>Prevention;</li> <li>Rapid detection;</li> <li>Early response; and</li> <li>Containment and suppression.</li> </ul> </li> </ul>	<ul style="list-style-type: none"> <li>Alberta's forests and forest communities are protected from wildfire.</li> <li>Human-caused fire starts do not increase, despite population growth, urban encroachment and escalating fire start potential in the Forest Protection Area.</li> </ul>	The sustained contribution of benefits to Albertans from Alberta's public land and natural resources.
	Forest Land and Resource Management	<ul style="list-style-type: none"> <li>Alberta's public forests and forest lands are allocated.</li> <li>Alberta's forests are managed and used in a sustainable manner.</li> <li>Albertans receive an economic return from Alberta's forests.</li> </ul>	<ul style="list-style-type: none"> <li>Alberta's forests support multiple uses and values while also supporting opportunities for increasing:               <ul style="list-style-type: none"> <li>Productive forest crown land;</li> <li>Amount of fibre extracted per unit area; and</li> <li>Value per unit fibre.</li> </ul> </li> </ul>	
	Fish and Wildlife Management	<ul style="list-style-type: none"> <li><i>Under Development.</i></li> </ul>	<ul style="list-style-type: none"> <li>Enhance the economic, environmental and social contributions of Alberta's fish and wildlife resources to Albertans.</li> </ul>	
	Rangeland Management	<ul style="list-style-type: none"> <li>Alberta's public rangeland resources are allocated.</li> <li>Public rangeland resources are used in a sustainable manner.</li> </ul>	<ul style="list-style-type: none"> <li>Alberta's public rangelands support a full range of uses and values that include livestock grazing, energy extraction, recreational use and wildlife habitat.</li> </ul>	
	Land Use Disposition Management	<ul style="list-style-type: none"> <li>Dispositions on Alberta's public lands are administered in a timely manner.</li> <li>Oil and gas dispositions on Alberta's public lands are administered while minimizing disturbance.</li> </ul>	<ul style="list-style-type: none"> <li>Optimize the long-term benefits (environmental, social and economic) that Albertans receive from public lands through effective and efficient disposition management.</li> </ul>	
				

The department will be reporting on two types of measures in its business plans and annual reports:

- **Output measures** that reflect directly on the performance of the department. These measures are essential to management decision-making. Through department initiatives and activities, specific results (outputs) are achieved that in turn contribute to the desired impact.
- **Outcome measures** that reflect changes in the state of the world (external to the department) toward the desired goal or impact. While these changes may not be entirely attributable to the department's activities, these changes do bridge the relationship between the department's activities and the desired impact.

**GOAL 1                      Protect Alberta's forests and forest communities by preventing and suppressing wildfires.**

<b>Outcome Measures<sup>1</sup></b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Forecast<sup>2</sup></b>	<b>2003-06 Target<sup>3</sup></b>
<b>1. Prevention</b>				
Number of human-caused fires within Alberta's Forest Protection Area	209	297	438	< 300
Number of industry-caused fires	79	106	85	< 60

<b>Output Measures<sup>1</sup></b>	<b>2000 Actual</b>	<b>2001 Actual</b>	<b>2002 Forecast<sup>2</sup></b>	<b>2003-06 Target</b>	
<b>2. Detection</b>					
Percentage of wildfires detected at 0.1 hectares or less in size	By Lookout Towers	83%	85%	94%	85%
	By Air	85%	77%	90%	85%
Percentage of detected wildfires reported within 5 minutes or less	By Lookout Towers	88%	90%	98%	90%
	By Air	98%	96%	100%	90%
<b>3. Response</b>					
Percentages of wildfires actioned before they reach 2.0 hectares or less in size	87%	92%	94%	90%	
<b>4. Containment and Suppression</b>					
Percentage of wildfires contained at 4.0 hectares or less in size	88%	92%	92%	90%	
Percentage of wildfires contained within the first burning period	89%	92%	88%	85%	

**Endnotes for Goal One:**

- <sup>1</sup> Performance data for forest protection is based on the April 1 to October 31 period.
- <sup>2</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.
- <sup>3</sup> The department is targeting to normalize and eventually reduce the annual number of fires.

**GOAL 2                    Enhance the economic, environmental and social contributions of Alberta's forests and forest lands to Albertans.**

<b>Output Measures</b>	<b>2000-01 Actual</b>	<b>2001-02 Preliminary Actual<sup>1</sup></b>	<b>2002-03 Forecast<sup>2</sup></b>	<b>2003-06 Target<sup>3</sup></b>
<b>1. Timber Allocation<sup>2</sup></b>				
Annual allowable cut (in million cubic metres)	24	24	N/A	23
Harvest (in million cubic metres)	18	18	N/A	17
Gap (in million cubic metres)	6	6	6	6
<b>2. Forest Sustainability</b>	Measure is currently under development. Historical data is not available.			To be established.
<b>3. Timber Revenue</b>	Measure is currently under development. Historical data is not available.			To be established.

*Endnotes for Goal Two:*

<sup>1</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.

<sup>2</sup> Data is calculated as a five-year rolling average, based on the timber year (May to April). There is a one-year delay in the reporting of this data. Therefore, preliminary results for 2002-03 are not available (N/A), but a gap of 6 million cubic meters is still anticipated. Please note that this measure was referred to in the past as Timber Sustainability.

**GOAL 3                    Enhance the economic, environmental and social contributions of Alberta's fish and wildlife resources to Albertans.**

<b>Outcome Measure</b>	<b>1996 Actual</b>	<b>2000 Actual</b>	<b>2005 Target</b>
<b>1. Species at Risk<sup>1</sup></b>			
Percentage of species at risk	2.00%	1.44%	< 5.00%

*Endnotes for Goal Three:*

<sup>1</sup> This measure is under review. New data will not be available until 2005.

**GOAL 4                    Enhance the economic, environmental and social contributions of Alberta's rangelands to Albertans.**

<b>Output Measures</b>	<b>2000-01 Actual</b>	<b>2001-02 Actual</b>	<b>2002-03 Forecast<sup>1</sup></b>	<b>2003-06 Target</b>
<b>1. Public Rangeland Allocation</b>				
Animal unit months allocated (millions) <sup>2</sup>	1.64	1.64	1.61	1.60
<b>2. Rangeland Sustainability</b>				
Percentage of leases in good standing <sup>2</sup>	97%	95%	96%	90%

*Endnotes for Goal Four:*

<sup>1</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.

<sup>2</sup> New measure. Historical data and methodology is not audited and subject to change pending a review by the Office of the Auditor General.



**GOAL 5**                    **Optimize the long-term benefits (environmental, social and economic) that Albertans receive from public lands through effective, efficient disposition management.**

Output Measures	2000-01 Actual	2001-02 Actual	2002-03 Forecast <sup>1</sup>	2003-06 Target
<b>1. Timely, Efficient Disposition Decisions</b>				
Average number of working days for completion of industrial dispositions <sup>2,3</sup>	15	15	15	< 15
Average number of working days for completion of geophysical approvals <sup>2</sup>	6	8	7.4	< 8
<b>2. Industrial Disposition Planning</b>				
Percentage of active oil and gas industrial dispositions subject to Area Operating Agreements (green and white area) <sup>2,4</sup>	N/A	N/A	40%	60%

**Endnotes for Goal Five:**

- <sup>1</sup> Data is preliminary and has not been audited. Subject to change pending a review by the Office of the Auditor General.
- <sup>2</sup> Historical data and methodology have not been audited and are subject to change pending a review by the Office of the Auditor General.
- <sup>3</sup> Methodology for this measure is currently under review. Performance measures forecasts and targets assume a constant number of disposition requests each year.
- <sup>4</sup> A new methodology is being used to calculate this performance measure in order to increase validity and relevance to program operations. Therefore, actual results for 2000-01 and 2001-02 are currently not available (N/A).

## MINISTRY SUPPORT SERVICES

**GOAL**                    **Foster effective and affordable support services that enable the Ministry to deliver its mandate and continually improve its performance.**

**Strategic Approach**

- Reduce the Ministry’s administrative and information technology costs through the use of the Alberta Corporate Service Centre.
- Align the Ministry’s Information Management/Information Technology strategy with the Government’s Information Management/Information Technology strategy.
- Align staff learning and development opportunities with the Government’s goals and priorities.
- Plan for leadership succession and enhance leadership capacity at all levels, while meeting organizational requirements.
- Promote the services provided by the Ministry by providing content and support for the Service Alberta initiative.
- Implement the department’s Business Resumption Plan and the Emergency Preparedness Strategy.
- Provide resources for the establishment of an internal audit function.
- Address regional priorities in an efficient and effective manner at the Ministry level through the integration of front line regional operations and Ministry policies.
- Strengthen the Ministry’s strategic management capacity in the areas of policy integration; national and intergovernmental relations; and strategic and business planning.
- Implement an effective consultation program for resource access on Alberta’s crown land.

# REPORTING BOARDS AND AGENCIES

## Natural Resources Conservation Board

Established in 1991, the NRCB is an independent, quasi-judicial regulatory tribunal. The NRCB helps to support the vision and mission of the Ministry by conducting open and impartial reviews of developments that affect a range of Alberta's natural resources. These include forest industry projects; recreation and tourism projects; metallic and industrial mineral projects; and water management projects. The NRCB also supports the goals of Alberta Agriculture, Food and Rural Development through the provision of cradle-to-grave regulation of Alberta's Confined Feeding Operations (CFOs).

### Goals and Performance Measures

The goals and performance measures of the NRCB are set out in its own business plan. For 2003-06, NRCB's goals include:

- Steady improvement in the application process for new or expanding facilities including ongoing improvements to the "one-window" to government;
- The increased use of alternatives to the hearing process and where hearings are still required, increasingly timely decisions; and
- Continued emphasis on measuring and reporting industry compliance with provincial regulatory requirements.

## Surface Rights and Land Compensation Boards

The SRB is an arbitration board with four areas of responsibility:

- Issuing Right of Entry Orders for oil and gas activity, power and telephone lines;
- Determining compensation for a right of entry and reviewing rents every five years for Right of Entry Orders and Surface Leases;
- Settling disputes and determining compensation for damages to the land of the leased or right of entry area; and
- Recommending payments by the Minister of Finance where the operator defaults.

The LCB is authorized to hear compensation disputes where private property is expropriated by an authority. Authorities include municipalities, the provincial crown and utility companies which require land to advance projects such as road rights of way, parks and power plants. Disputes before the Board vary, depending on the type of property expropriated and may include concerns over market value, business losses and relocations costs.

Parties before the Board benefit from regulated rules of practice and procedure, which are consistently reviewed by the Board after consultation with stakeholders. The last review occurred in 2001.

## EXPENSE BY CORE BUSINESS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>EXPENSE</b>						
<b>Core Business</b>						
Forest Protection	184,441	76,485	329,192	75,609	75,574	75,522
Forest Land and Resource Management	27,455	30,819	29,537	31,356	31,341	31,320
Fish and Wildlife Management	39,942	39,159	37,530	40,542	40,523	40,495
Range Land Management	11,098	11,113	10,651	11,737	12,321	13,163
Land Use Disposition Management	29,735	33,070	31,695	35,384	35,870	36,630
Surface Rights and Land Compensation Boards	2,254	2,009	1,925	2,131	2,130	2,129
Natural Resources Conservation Board	1,599	2,902	4,902	4,983	4,983	4,983
Environment Statutory Programs	4,016	7,250	4,500	6,600	4,430	4,350
<b>MINISTRY EXPENSE</b>	<b>300,540</b>	<b>202,807</b>	<b>449,932</b>	<b>208,342</b>	<b>207,172</b>	<b>208,592</b>

## MINISTRY STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
<b>REVENUE</b>						
Transfers from Government of Canada	3,089	2,026	4,709	2,794	2,794	2,794
Investment Income	2,979	6,810	2,505	3,061	3,061	3,061
Premiums, Fees and Licences	117,046	102,845	101,759	111,895	112,373	113,873
Other Revenue	5,681	7,533	64,354	6,876	4,706	4,626
<b>MINISTRY REVENUE</b>	<b>128,795</b>	<b>119,214</b>	<b>173,327</b>	<b>124,626</b>	<b>122,934</b>	<b>124,354</b>
<b>EXPENSE</b>						
<b>Program</b>						
Forest Protection - Base	61,969	59,008	59,008	57,258	57,258	57,258
Forest Protection - Extended	115,114	12,000	259,875	12,000	12,000	12,000
Forest Land and Resource Management	26,360	28,612	28,612	28,722	28,722	28,722
Fish and Wildlife Management	38,349	36,355	36,355	37,136	37,136	37,136
Range Land Management	10,655	10,317	10,317	10,751	11,291	12,071
Land Use Disposition Management	28,549	30,702	30,702	32,412	32,872	33,592
Policy and Information Management	4,324	7,050	7,050	9,200	9,200	9,200
Surface Rights and Land Compensation Boards	2,164	1,865	1,865	1,952	1,952	1,952
Natural Resources Conservation Board	1,599	2,902	4,902	4,983	4,983	4,983
Ministry Support Services	6,232	5,691	5,691	6,273	6,273	6,273
Valuation Adjustments and Other Provisions	1,209	1,055	1,055	1,055	1,055	1,055
Environment Statutory Programs	4,016	7,250	4,500	6,600	4,430	4,350
<b>MINISTRY EXPENSE</b>	<b>300,540</b>	<b>202,807</b>	<b>449,932</b>	<b>208,342</b>	<b>207,172</b>	<b>208,592</b>
Gain (Loss) on Disposal of Capital Assets	768	4,000	4,000	4,000	4,000	4,000
<b>NET OPERATING RESULT</b>	<b>(170,977)</b>	<b>(79,593)</b>	<b>(272,605)</b>	<b>(79,716)</b>	<b>(80,238)</b>	<b>(80,238)</b>

## CONSOLIDATED NET OPERATING RESULT

(thousands of dollars)

	Comparable 2001-02 Actual	Comparable 2002-03 Budget	Comparable 2002-03 Forecast	2003-04 Estimates	2004-05 Target	2005-06 Target
Ministry Revenue	128,795	119,214	173,327	124,626	122,934	124,354
<i>Inter-ministry consolidation adjustments</i>	(112)	(67)	-	-	-	-
<b>Consolidated Revenue</b>	<b>128,683</b>	<b>119,147</b>	<b>173,327</b>	<b>124,626</b>	<b>122,934</b>	<b>124,354</b>
Ministry Expense	300,540	202,807	449,932	208,342	207,172	208,592
<i>Inter-ministry consolidation adjustments</i>	(4,128)	(7,317)	(4,500)	(6,600)	(4,430)	(4,350)
<b>Consolidated Expense</b>	<b>296,412</b>	<b>195,490</b>	<b>445,432</b>	<b>201,742</b>	<b>202,742</b>	<b>204,242</b>
Gain (Loss) on Disposal of Capital Assets	768	4,000	4,000	4,000	4,000	4,000
<b>CONSOLIDATED NET OPERATING RESULT</b>	<b>(166,961)</b>	<b>(72,343)</b>	<b>(268,105)</b>	<b>(73,116)</b>	<b>(75,808)</b>	<b>(75,888)</b>