

Environment and Local Government

Annual Report
2016–2017

**Environment and Local Government
Annual Report 2016-2017**

Province of New Brunswick
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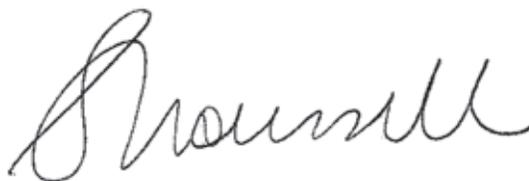
From the Minister to the Lieutenant-Governor

The Honourable Jocelyne Roy Vienneau
Lieutenant-Governor of New Brunswick

May it please your Honour:

It is my privilege to submit the annual report of the Department of Environment and Local Government, Province of New Brunswick, for the fiscal year April 1, 2016, to March 31, 2017.

Respectfully submitted,



Honourable Serge Rousselle, Q.C.
Minister

From the Deputy Minister to the Minister

Honourable Serge Rousselle, Q.C.
Minister of Environment and Local Government

Sir:

I am pleased to be able to present the annual report describing operations of the Department of Environment and Local Government, Province of New Brunswick, for the fiscal year April 1, 2016, to March 31, 2017.

Respectfully submitted,



Kelli Simmonds
Deputy Minister

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Minister's message

During the 2016-2017 fiscal year, the Department of Environment and Local Government continued to achieve our mandate through collaboration with stakeholders and a focus on supporting efforts and initiatives that protect our environment.

The department had many successes this year, including most notably the introduction of modernized legislation. The *Municipalities Act* (1960s) and the *Community Planning Act* (1970s) were modernized and will be replaced by the *Local Governance Act* and the new *Community Planning Act*. We know that strong communities, with effective local governance, grow the economy and create jobs. We have listened to our stakeholders on what they need to become more sustainable, and we got it done. I am pleased to say that we are on track for the new acts to come into effect on Jan. 1, 2018.

In addition to the above, amendments were introduced to the *Society for the Prevention of Cruelty to Animals Act* and the *Municipalities Act* to enhance animal protection; and the *Clean Environment Act* to ban disposal of hydraulic fracturing wastewater in municipal wastewater infrastructure.

The department released a strengthened response to addressing climate change with the new action plan, *Transitioning to a Low-carbon Economy*.

This year saw significant investments through the Environmental Trust Fund, with 197 projects awarded funding to protect the environment, increase environmental awareness, manage our waste, address climate change and build sustainable communities.

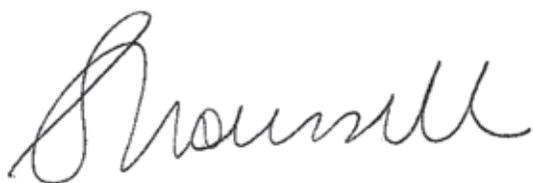
The department partnered with the federal government and municipalities to invest in improving water and wastewater infrastructure through the Small Communities Fund, and it worked with the federal government to identify investment needs through the new Clean Water and Wastewater Fund.

The department took steps to increase transparency and access to information. In taking the lead on addressing water quality monitoring for Parlee Beach, the department proved its leadership and commitment to working with partners to address longstanding issues collaboratively, quickly and transparently. Additionally, the department continues to work closely with First Nations, the public and stakeholders on the development of a provincial water strategy.

The department announced a new electronic waste program for the province and added a new bicycle tire recycling program. Consultations continued with regional service commissions to evaluate the governance model and find efficiencies to improve waste management throughout the province. In addition, residents voted to establish the new community of Haut-Madawaska.

As outlined in this year's annual report, the department made progress on a number of key priorities that will contribute to New Brunswick's effort to create jobs, maintain fiscal responsibility and help families.

I thank the department's staff for its hard work and dedication during the past year.



Honourable Serge Rousselle, Q.C.
Minister of Environment and Local Government

Deputy Minister's message

The 2016-2017 annual report outlines the measures and initiatives undertaken by the Department of Environment and Local Government from April 1, 2016, to March 31, 2017.

Our department had many successes during the past year. Two new acts, the *Local Governance Act* and the *Community Planning Act*, were introduced to replace long-outdated legislation and bring New Brunswick's local governance legislation in line with most other Canadian jurisdictions. A new climate change action plan, *Transitioning to a Low-carbon Economy*, was released in December 2016 as part of a made-in-New Brunswick response to climate change.

The department worked in partnership with the departments of Health and Tourism, Heritage and Culture to create a steering committee on Parlee Beach that is working on finding solutions to fix the water quality at the beach, and it contributed to the development of a new water quality monitoring protocol for Parlee Beach, which is in accordance with the Guidelines for Canadian Recreational Water Quality.

The department invested in 197 projects as part of the 2017-2018 Environmental Trust Fund awards. In addition, the department developed a draft provincial water strategy and launched a working group to address water classification.

The department facilitated comprehensive consultations with the 12 regional service commissions to examine ways the model can be improved.

The department made important strides in expanding recycling programming in New Brunswick by collaborating with stakeholders and industry. It also provided support for communities wishing to amalgamate, and it welcomed the new rural community of Haut-Madawaska.

The department worked on behalf of New Brunswickers to ensure the enforcement of and compliance with environmental legislation and regulations.

Staff proudly advanced the mandate of the department while contributing to a healthy environment, sustainable communities and a greener economy.

I thank the department's staff for its dedication and hard work during the past year as well as our many partners and stakeholders for their continued collaboration.



Kelli Simmonds
Deputy Minister

Strategic priorities

Strategy management

The Government of New Brunswick (GNB) 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 a strategic vision to move New Brunswick forward. This vision is anchored in five priority areas:

- 1. Jobs** – Creating the best environment for jobs to be generated by New Brunswickers, by businesses, by their ideas, by their entrepreneurial spirit, and by their hard work. Growth efforts will be guided by the New Brunswick Economic Growth Plan, which focuses on strengthening the workforce; expanding innovation capacity; increasing the agility of government; fostering public and private investment in strategic infrastructure; and growing capital investment from the private sector.
- 2. Education** – Improving education as guided by two 10-year plans, *Everyone at Their Best* for the anglophone sector and *Donnons à nos enfants une longueur d’avance* for the francophone sector, that identify objectives for the early learning and education system and establish clear expectations for standards and performance. The areas of focus for the first year are: ensuring children and other learners develop the competencies they need to be successful in school and life; improving both literacy and numeracy skills for all learners; and working to make post-secondary education more accessible and affordable.
- 3. Families** – Creating a healthier and stronger New Brunswick by focusing on seven key areas: improving access to primary and acute care; promoting wellness; supporting those with mental health challenges; fostering healthy aging and support for seniors; advancing women’s equality; reducing poverty; and providing support for persons living with a disability.
- 4. Federal and Aboriginal Relations** – Building stronger relationships with First Nations; strengthening action on climate change; and working with the federal government to maximize federal funding, including optimizing infrastructure funding and growing the workforce through immigration.
- 5. Smart Province** – Providing taxpayers with better value for their money by transforming the culture of government by eliminating duplication; adopting new innovations in technology to improve services and savings; and ensuring GNB has a ready workforce that has the skills, training, support, leadership and working environments it needs to thrive.

Highlights

During the 2016-2017 fiscal year, the Department of Environment and Local Government focused on these strategic priorities through:

- Developing and releasing New Brunswick's third climate change action plan, *Transitioning to a Low-carbon Economy*, which contains 118 actions for on-going analysis and implementation.
- Introducing two new acts, the *Local Governance Act* and the *Community Planning Act*, to replace long-standing legislation and bring New Brunswick's legislation in line with most other Canadian jurisdictions.
- Launching the implementation of the electronic waste (E-Waste) recycling program for the province.
- Amending the *Clean Environment Act* to prohibit the discharge of wastewater from hydraulic fracturing into wastewater treatment systems owned or operated by a municipality, a regional municipality, a rural community, a wastewater commission or GNB.
- Providing support to the Select Committee of the Legislature on Climate Change for its public consultation on climate change and completion of its final report, *New Brunswickers' Response to Climate Change*.
- Publishing the 2014 *Air Quality Monitoring Results Report* highlighting the province's success in achieving the national air quality objectives during the reporting period.
- Enhancing animal protection by introducing amendments to the *Society for the Prevention of Cruelty to Animals Act and the Municipalities Act*.
- Continuing work on the development of a draft water strategy.
- Creating a technical working group to make recommendations on enhancing watershed management.
- Achieving an improvement rate of 1.75 per cent by saving \$2,443,477 in hard and soft Continuous Improvement savings across the department.

Performance measures

Jobs	Measures
Simplify permitting processes.	Percentage of environmental permit and approval applications processed within established timeframes.
Strengthen capacity of communities.	Percentage of New Brunswickers with sustainable local governments.
Families	Measures
Protect our air, land, water and climate.	Quality of industrial greenhouse gas (GHG) management plans, compared against established criteria.
Promote development in sustainable, climate-resilient locations.	Number of communities with plans to adapt to the impacts of a changing climate.
Smart Province	Measures
Operate within the department's expenditure budget.	Ratio of actual to budgeted expenditures.
Eliminate waste and duplication.	Improvement rate via Continuous Improvement.

Jobs

Objective of the measure

Simplify permitting processes.

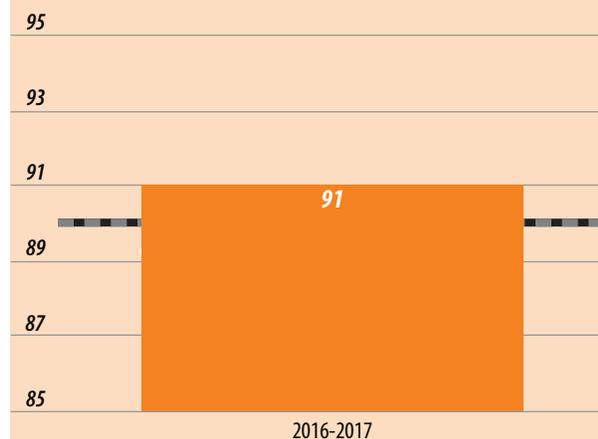
Measure

Percentage of environmental permit and approval applications processed within established time-frames.

Description of measure

There are several permits and approvals included in this measure, encompassing the highest-volume programs within the Environment Division. This measure describes the department's effectiveness in turning around these applications quickly so that it is providing strong client service while maintaining its environmental protection responsibilities.

Percentage of permit and approval applications processed



Overall performance

Ninety-one per cent of applications were processed within established timeframes.

— Baseline: 90%
- - - - - Target: 90%
Actual: 91%

Why do we measure this?

Meeting the department's target application processing time is essential to providing regulatory certainty and strong client service. Timely access is important to clients because there can be financial consequences associated with delays in these projects.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department continued the implementation of a Process Improvement project that was undertaken in 2012.

Jobs

Objective of the measure

Strengthen capacity of communities.

Measure

Percentage of New Brunswickers with sustainable local governments.

Description of measure

This measure reflects the number of people living in communities capable of sustaining an effective local government and providing a base level of services for the long term. In 2016-2017, for the purpose of this measure, “sustainable local governments” were identified as those local governments serving 4,000 or more people or having a tax base of \$200 million or more.

Percentage of New Brunswickers with sustainable local governments

65

60

55

50

2016-2017

58.6

Overall performance

One restructuring project meeting the targeted criteria was successfully completed. This resulted in a gain of the population living in a viable community at 58.6 per cent, an increase of 0.9 per cent.

————— Baseline: 57.7%

- - - - - Target: 58.2%

Actual: 58.6%

Why do we measure this?

Strong communities are essential to providing necessary local services and promoting growth in the province. Restructuring communities successfully makes them better able to provide essential services in a cost-effective way. This also gives more New Brunswickers a democratic voice at the local level.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department supported the following proposed community restructuring projects:

- The proposed creation of a rural community including the villages of Clair, Baker-Brook, Saint-François de Madawaska, St. Hilaire, and six local service districts (LSDs). The project included a feasibility study, public information initiatives and a plebiscite.
- Other projects were supported at the planning stages and have the potential to reach a plebiscite in the coming year.

Families

Objective of the measure

Protect our air, land, water and climate.

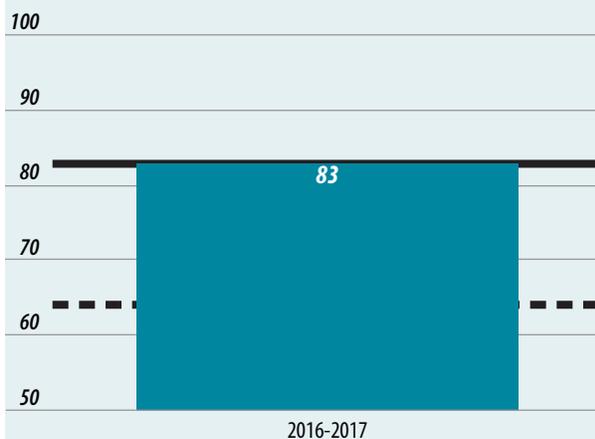
Measure

Quality of industrial greenhouse gas (GHG) management plans, compared against established criteria.

Description of measure

Large industrial emitters are responsible for about one-third of GHG emissions originating in New Brunswick. As part of the department's efforts to reduce GHG emissions, beginning in 2015, these facilities have been required to prepare and submit a GHG management plan in accordance with the *Guidelines for Greenhouse Gas Management for Industrial Emitters in New Brunswick*. This measure evaluates the quality of these submissions relative to key GHG considerations as referenced in the guidelines.

Quality of industrial greenhouse gas management plans, compared against established criteria (%)



Overall performance

This was a new measure for 2016-2017. Eleven industrial facility GHG management plans were reviewed on the basis of predetermined quality criteria that included eight essential elements and six bonus elements for a maximum score of 14. All of the plans met the essential elements target (8/14) while 83 per cent met the bonus target (11/14).

———— **Baseline:** New measure
- - - - - **Target:** 64%
Actual: 83%

Why do we measure this?

Preparing and submitting a GHG management plan is a new requirement for large industry operating in New Brunswick. An industry-prepared GHG management plan that meets or exceeds performance criteria, when effectively implemented and as reported annually to the department, should result in real, measurable and sustained emission reductions that meet or exceed the industry's target and help GNB achieve its reduction targets. It is well understood that "what you measure, you manage." Therefore, requiring GHG management plans from industry that specify reduction targets, require annual reporting and incorporate Continuous Improvement will help industry remain carbon-competitive and will help GNB achieve its reduction targets.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The department undertook the following to facilitate the preparation and submission of GHG management plans and to ensure that the performance measure was successfully achieved:

- preparation of the Guideline for Industry;
- met with industry to provide training;
- held bilateral meetings to address issues/concerns;
- amended operating approvals accordingly; and
- monitored progress and provided reminders.

Families

Objective of the measure

Promote development in sustainable, climate resilient locations.

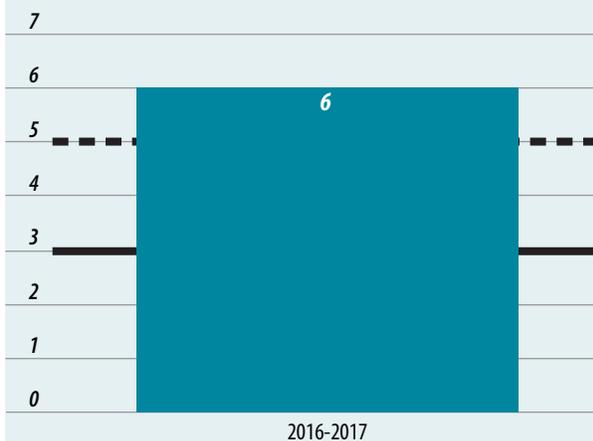
Measure

Number of communities with plans to adapt to the impacts of a changing climate.

Description of measure

This measure tracks community progress toward planning for and adapting to climate change. Adaptation planning begins with the completion of a vulnerability assessment, which is then used by the community to guide adaptation efforts and ensure that critical vulnerabilities are addressed. This measure is seen as a first step toward understanding how well communities are preparing for climate change. Full resilience is a long-term goal. The proximate measure is whether a plan exists, and the longer-term measure is around the effectiveness and comprehensiveness of the plan.

Number of communities with adaptation plans



Overall performance

The baseline for 2016-2017 was three communities with completed adaptation plans (Dieppe, Moncton and Port Elgin). As of March 31, 2017, Bathurst, Dorchester and Sackville also approved adaptation plans.

— Baseline: 3
- - - Target: 5
Actual: 6

Why do we measure this?

This measure is seen as a first step toward understanding how well communities are preparing for climate change. Knowing the state of adaptation planning allows the department to better direct its efforts to ensure New Brunswickers are prepared for a changing climate.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The Climate Change Secretariat continues to engage communities in the adaptation planning process, with support from the Environmental Trust Fund and building on the foundation created by the Regional Adaptation Collaborative and the work of the Atlantic provinces.

Smart Province

Objective of the measure

Operate within the department's expenditure budget.

Measure

Ratio of actual to budgeted expenditures.

Description of measure

This measure compares the department's actual expenses with the amount budgeted for that purpose. The ratio will exceed 100 per cent when spending is over-budget and be less than 100 per cent when spending is under-budget.

Ratio of actual to budgeted expenditures (%)



Overall performance

The department's 2016-2017 budget, including appropriation transfers, was set at \$138,937,300. After completion of several initiatives, along with close monitoring of expenditures, the department closed out the fiscal year at 0.82 per cent, or \$1.14 million, under-budget.

— Baseline: 98.4%
- - - Target: 100%
Actual: 99.2%

Why do we measure this?

This indicator measures the ability of the department to manage its overall expenses as compared to budget. The department must ensure that expenses are managed in accordance with the budget and be prepared to take corrective action if expenses are projected to be over-budget during the year.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

The following actions contributed to achieving this target:

- Completion of Process Improvement projects and Waste Walks, including, but not limited to: reduced transportation costs and streamlined processes that allowed the department to reduce positions through attrition.
- Lower-than-anticipated property tax assessment adjustments.

Smart Province

Objective of the measure

Eliminate waste and duplication.

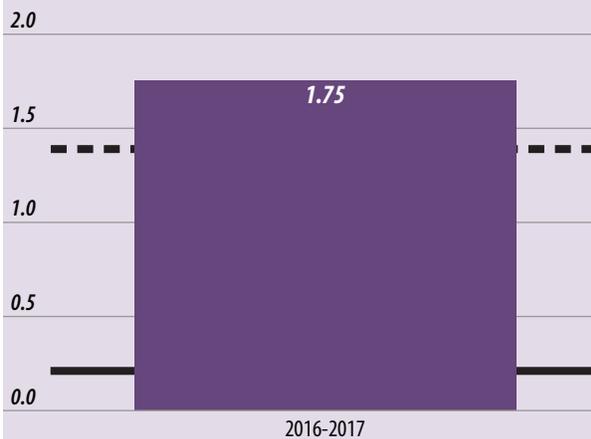
Measure

Improvement rate via Continuous Improvement.

Description of measure

This measure tracks the rate of Continuous Improvement efforts within the department. It is calculated as the total dollar value of Continuous Improvement efforts, divided by the department's ordinary budget.

Improvement rate via continuous improvement (%)



Overall performance

The department's 2016-2017 improvement rate was 1.75 per cent.

— Baseline: 0.21%
- - - Target: 1.39%
Actual: 1.75%

Why do we measure this?

An important aspect of the Formal Management system is for each department to undertake Continuous Improvement projects to reduce costs and increase efficiency of processes and services. This measure tracks the value of savings for these improvement projects.

What initiatives or projects were undertaken in the reporting year to achieve the outcome?

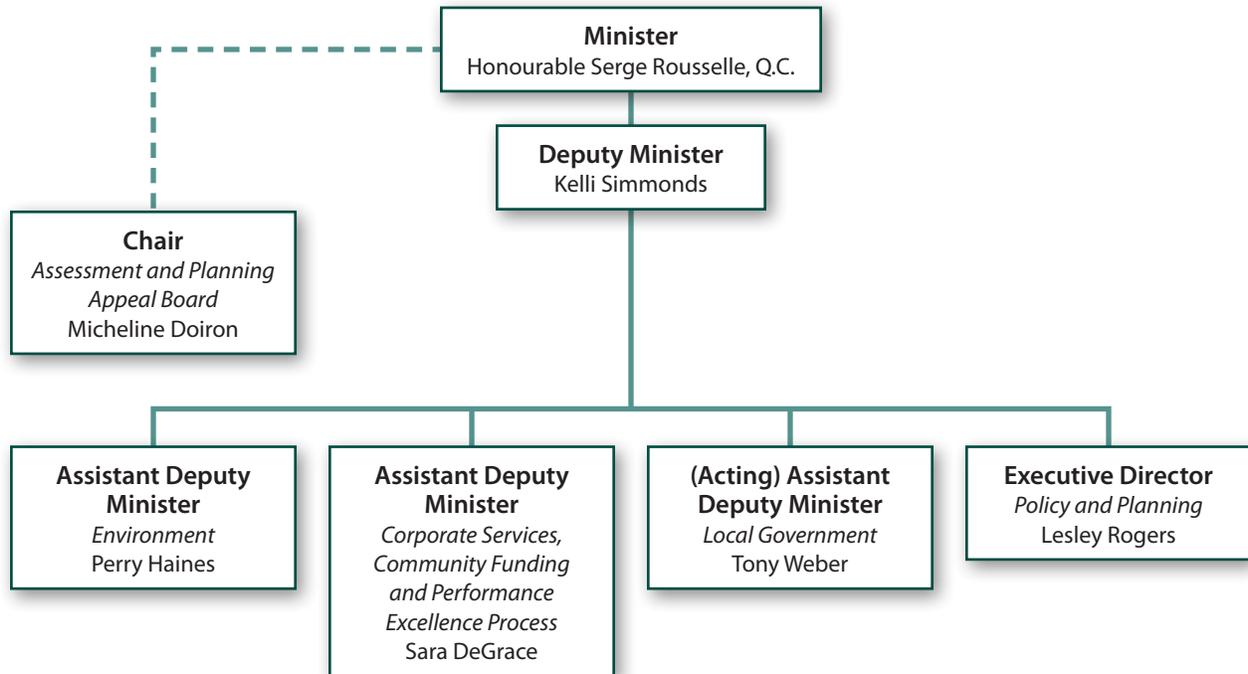
Several Continuous Improvement projects undertaken throughout the department contributed to achieving this target. Examples include:

- examining the processes around environmental regulatory programs (licences, permits, approvals, etc.) and identifying areas for streamlining to improve the efficiency of each process and ensure that staff time is spent on high-value activities;
- organizational efficiencies such as reducing vehicle costs, adjusting workloads and streamlining administrative services; and
- carrying out various Waste Walks across the department. Examples include revising invoicing process to reduce processing time for coding specialist in the regions and the introduction of a triage process for Watercourse and Wetland Alteration (WAWA) permits that led to faster turnaround time for customers.

Overview of departmental operations

The mandate of the Department of Environment and Local Government is to provide integrated stewardship through planning and management of land use, zoning development and waste management issues; ensure effective enforcement of, and compliance with, environmental legislation and regulations; and foster stronger communities by providing effective consultation and liaison with municipal governments on governance issues and providing the administration of local service districts (LSDs).

High-level organizational chart



Division overview and highlights

Assessment and Planning Appeal Board

The **Assessment and Planning Appeal Board** functions independently from the department, but for administration purposes, such as staffing and budget allocation, it is aligned with Local Government.

The board is responsible for hearing appeals and rendering decisions on the following:

- property assessment appeals under the *Assessment Act*;
- appeals of land use and planning decisions under the *Community Planning Act*; and
- appeals of Local Heritage Review Board decisions under the *Heritage Conservation Act*.

The board conducts hearings through 11 regional panels, which are convened as and where required. Each panel consists of a chair and two members appointed from the respective region. The chair of the board may either act as chair, or designate one of the three vice-chairs to act as chair for a hearing.

HIGHLIGHTS

- ◆ *Two hundred and thirty appeals were filed under the Assessment Act. Of these, 190 pertained to residential properties and 40 pertained to commercial properties.*
- ◆ *Five hundred and three assessment appeals were disposed of either through a hearing or withdrawal by the appellant prior to the hearing.*
- ◆ *The board dealt with 401 residential property assessment appeals and 102 commercial property assessment appeals.*
- ◆ *At the end of the year, 162 residential property assessment appeals and 76 commercial property assessment appeals were outstanding and carried forward.*
- ◆ *Twenty-five land use and planning decision appeals were filed under the Community Planning Act.*
- ◆ *There were no new appeals filed under the Heritage Conservation Act.*

Environment Division

The **Environment Division** is primarily responsible for the administration of all environmental programs within the department. The division is guided by six acts and 23 regulations that form its mandate.

The division consists of the State of the Environment Branch, the Sustainable Development and Impact Evaluation Branch, the Impact Management Branch, the Programs Operations and Enforcement Branch and the Climate Change Secretariat.

The **State of the Environment Branch** has the responsibility to monitor environmental conditions and interpret, evaluate and report on the state of the environment in the province. The branch provided in-house scientific testing services to clients from around the province until the services were transferred to the NB Research and Productivity Council (RPC) during the fiscal year. The branch is now responsible for the management of the RPC Laboratory Service Agreement on behalf of the department. It also conducts monitoring, forecasting and reporting on air quality and water quality/quantity conditions in the province. It administers and manages several federal/provincial agreements and partnerships that augment scientific assessment services. The branch participates on several national committees, encompassing a wide scope of efforts such as the Canadian Council of Ministers of the Environment (CCME) and the International Joint Commission (IJC). The branch provides a wide range of scientific expertise and review to other areas and levels of government, including municipal, provincial, national and international and also works with watershed groups from around the entire province. It plays an important role in providing river ice observations as part of the Provincial Riverwatch Program.

The **Sustainable Development and Impact Evaluation Branch** is responsible for: Environmental Impact Assessments (EIAs); Municipal Drinking Water Source Protection – Surface and Ground; Water Well Protection; Watercourse and Wetland Alteration (WAWA); Wetland Management; Coastal Protection; and Marine Planning. The branch is mandated to plan suitable development in

the appropriate places and to ensure that it is undertaken using acceptable methods. It has responsibility for the environmental assessment of activities and developments before they are undertaken as well as for implementing programs to ensure, maintain and protect the quality and quantity of drinking water for future generations.

The **Impact Management Branch** regulates the construction and operation of specific activities to minimize impacts on the province's air, land and water environments. The branch accomplishes this by using various regulatory tools and by administering a strong auditing program to assess compliance.

The **Program Operations and Enforcement Branch** provides local service delivery of some departmental programs and an inspection program through six regional offices. It manages enforcement activities related to the acts and regulations under the department's mandate. It is responsible for the coordination of emergency management, including the department's emergency plan and on-call system.

The **Climate Change Secretariat** coordinates initiatives promoting the reduction of GHG emissions and the adaptation to impacts of climate change. It is responsible for the development of New Brunswick's climate change action plans and coordinating their implementation. It engages most departments and agencies to ensure that actions on climate change are integral with governmental policies, programs and day-to-day decisions. It also engages a range of local government and non-government partners and stakeholders to encourage lower carbon investments and practices and climate adaptation activities.

HIGHLIGHTS

- ◆ *Participated in 20 province-wide emergency preparedness exercises, including nine involving NB Power and the Point Lepreau Generating Station.*
- ◆ *Emergency Measure Operations activated the department's emergency management team 11 times in response to various incidents.*
- ◆ *Amended the Beverage Containers Act to increase the handling fees for redemption centres and to enable the collection and processing of beverage containers by one service provider.*
- ◆ *Launched an online licence renewal program for petroleum storage licences.*

- ◆ *Signed an agreement with Public Safety Canada to conduct coastal flood mapping for the province under the National Disaster Mitigation Program (NDMP).*
- ◆ *Introduced an online process for WAWA applications, which improved accessibility for proponents and resulted in an increase in the number of permits being issued.*
- ◆ *Continued implementation of the protection programs for the province's municipal and private drinking water supplies, including the designation of wellfields in Bouctouche, Caraquet/Village of Bas-Caraquet, Clair, Village of Doaktown, Village of Dorchester, Town of Hartland, Town of Quispamsis, Richibucto, Town of Sackville and Village de St. Hilaire.*
- ◆ *Initiated a Continuous Improvement project to identify actions to improve the efficiency of the EIA process.*
- ◆ *WAWA issued 1,942 permits, up 18.5 per cent from the previous year. The increase may be attributed to the implementation of the new online application system that made access to the program more readily available.*
- ◆ *Twenty-nine projects were registered under the EIA regulation during the year, with 11 approved with conditions and one project denied. Sixty-six projects remained in the determination review stage.*
- ◆ *Provided technical support leading up to the amendment of the Clean Environment Act to ban the disposal of hydraulic fracturing wastewater in sanitary sewer systems.*

Local Government Division

The **Local Government Division** is the primary point of contact between GNB and local communities. With a vision of fostering stronger communities, the division provides support and advisory services to municipalities, rural communities, a regional municipality and regional service commissions and provides the administration of local service districts (LSDs).

The division consists of the Community Finances Branch, the Provincial-Municipal Fiscal Policy Branch, the Provincial and Community Planning Branch, the Local and Regional Governance Branch and the Local Government Support Services Branch.

The **Community Finances Branch** is responsible for providing advice and guidance relating to the financial aspects of local government entities (municipalities, rural communities, regional municipalities, LSDs and commissions). The branch provides support for accounting, capital borrowing, budgeting and financial reporting services to communities. It also administers the debt portfolio for municipalities, rural communities, regional municipalities and commissions and provides secretariat services to the Municipal Capital Borrowing Board.

The **Provincial-Municipal Fiscal Policy Branch** supports the work of the Local Government Division in dealing with matters relating to provincial/municipal fiscal policy. This involves research, analysis and policy development. The branch also provides expertise on community finances and local governance.

The **Provincial and Community Planning Branch** is responsible for the administration of the Community Planning Act and associated regulations to guide development in New Brunswick. The branch also provides guidance and support to regional service commissions and municipalities in the administration of the Community Planning Act and associated regulations.

The **Local and Regional Governance Branch** fulfils a provincial support and liaison function with municipalities, rural communities, regional service commissions and the New Brunswick SPCA. This involves advising the local government community of departmental initiatives; providing advice on matters of governance and administration to local governments and regional service commissions; working with the four municipal associations and 12 regional service commissions; and responding to general inquiries regarding areas such as local government operations, prescribed days of rest and animal protection issues.

The **Local Government Support Services Branch** administers the delivery of services in unincorporated areas of the province. The branch ensures the delivery of services such as fire protection, solid waste collection and emergency measures in LSDs through regionally based service administration. The branch works with LSD advisory committees, LSD volunteer fire departments, regional service commissions and recreational councils as well as the public to respond to local service needs

and administer the delivery of services. The branch is also responsible to work with communities that want to undertake community restructuring projects.

HIGHLIGHTS

- ◆ *Distributed \$68 million in grants to the 107 municipalities, rural communities and regional municipalities and \$6.4 million to LSDs.*
- ◆ *Supported the successful modernization of the Local Governance Act and the Community Planning Act.*
- ◆ *A compliance and enforcement guideline was issued for regional service commissions to use when administering building and development controls in unincorporated areas.*
- ◆ *A directive was issued for wharves in the unincorporated areas that provides guidance to regional service commissions to ensure the intent of the **National Building Code** is being met.*
- ◆ *Supported the Haut-Madawaska community restructuring project, which went to a plebiscite.*
- ◆ *Organized and delivered the 2016 Municipal Orientation program for elected local government officials pertaining to the exercise of their duties. About 400 individuals participated.*
- ◆ *Initiated and supported a review to identify potential improvements to the regional service commission model. It included ministerial meetings with the 12 regional service commission boards followed by a series of six workshops with stakeholders.*
- ◆ *Introduced amendments to legislation enhancing animal protection: increased penalties, a new offence for abandoning animals, and provided liability protection for the New Brunswick SPCA's animal protection officers.*
- ◆ *Initiated annual funding of \$100,000 to the New Brunswick SPCA to assist it in continuing to enforce the Society for the Prevention of Cruelty to Animals Act and associated regulations.*

Corporate Services, Community Funding and Performance Excellence Process Division

The **Corporate Services, Community Funding and Performance Excellence Process Division** provides departmental programs such as Financial Management and Performance Excellence; as well as oversight of Human Resources Management and Information Technology

development and support. It provides oversight and administration services to the federal/provincial Gas Tax Fund, the Small Communities Fund and the Clean Water and Wastewater Fund, as well as the provincial Environmental Trust Fund. The division provides technical support and engineering advice to communities in addressing their infrastructure concerns as they relate to the applicable funding programs.

The division consists of the Corporate Finance and Administrative Services Branch, the Information Technology Branch, the Performance Excellence Process/Standards Setting Branch and the Community Funding Branch. Human Resources and Information Technology development and support services are now delivered by Service New Brunswick in consultation with the Corporate Services, Community Funding and Performance Excellence Process Division.

The **Corporate Finance and Administrative Services Branch** coordinates the financial planning, budgeting and interim financial statement processes, provides financial information, analysis and advice to departmental staff, executive management and central agencies and provides purchasing and Vehicle Management services. The branch provides accounting services that include ensuring transactions are accurately reflected in the books of GNB, maintaining the departmental Financial Information System index, reconciling asset and liability accounts, and collecting and depositing revenue. The branch provides general office and administrative support services.

The **Information Technology Branch** is responsible for ensuring the effective and efficient use of information technology, systems and records within the department. The branch ensures that departmental staff have reliable and secure access to information and technology resources when needed and continues to identify opportunities throughout the department where technology can be used to gain an operational or strategic advantage.

The **Performance Excellence Process/Standards Setting Branch** leads the adoption of GNB's Formal Management system in the department and undertakes various improvement projects. The branch uses best practices

such as Lean Six Sigma and Change Management techniques to facilitate improvement projects and serves as a focal point for the development of operational standards, practices and guidelines. The branch leads the development and use of the department's Strategy Map, Balanced Scorecard and list of priority initiatives and actions to guide the department's strategic improvements. The branch is responsible for leading the implementation of Daily Management practices.

The **Community Funding Branch** administers funding programs targeted at community infrastructure including the federal/provincial Gas Tax Fund, the Small Communities Fund and the Clean Water and Wastewater Fund. The branch manages and administers New Brunswick's Environmental Trust Fund. This application-based program provides funding to municipalities, education institutions and private/not-for profit organizations for environmental projects that meet the criteria of the *Environmental Trust Fund Act*. The projects are funded from revenues that result from the *Beverage Containers Act* and the fees associated with the recycling of containers.

HIGHLIGHTS

- ◆ *Coordinated the execution of various large-scale strategic initiatives.*
- ◆ *Negotiated a new federal/provincial infrastructure funding agreement: the Clean Water and Wastewater Fund. This agreement provides for \$160 million in targeted infrastructure funding for New Brunswick municipalities.*
- ◆ *New Brunswick's Gas Tax Fund audit program, developed by departmental staff, was deemed a best practice and was presented at a national annual conference.*
- ◆ *Implemented various improvement projects in the Corporate Finance and Administrative Services Branch, including consolidating energy and telecommunication billings, streamlining the accounts receivable process and mapping the Industrial Approval process to eliminate duplication and waste.*
- ◆ *As of Oct. 1, 2016, the delivery of operational and transactional human resources services was transferred to Service New Brunswick from Part 1 departments and agencies.*

Policy and Planning Division

The **Policy and Planning Division** has the responsibility to undertake research and policy development, legislative development, legal affairs analysis, First Nations engagement and relationship building, public engagement and education, as well as strategic Project Management, in support of government initiatives and departmental operational objectives. The division provides right-to-information services, information access and legislative co-ordination services.

The division consists of the Policy Branch, the Legislative and Legal Affairs Branch and the Education and Engagement Branch.

The **Policy Branch** provides a range of policy related services, including information access, legislative coordination, research and policy development, regulatory and legislative development, and intra-/inter-governmental connections.

The **Legislative and Legal Affairs Branch** provides program delivery advisory support in the form of legislative research, interpretation and advice as well as the review of contracts, memoranda of understanding and agreements from a liability perspective. It acts as the departmental liaison with the Office of the Attorney General on legal matters, including the management of legal files, facilitating requests for formal legal opinions, providing operational and policy advisory support and the compilation of materials for senior management in relation to department positioning.

The **Education and Engagement Branch** has the responsibility to oversee and support the department's First Nations engagement and consultation, liaise with First Nations, develop and/or support public education initiatives aimed at capacity-building and behavioural change,

oversee legislated consultative processes, devise options for non-legislated engagement, and support stakeholder recognition and public outreach activities, including substantial engagement with First Nations communities. The branch maintains the department's Internet site, liaises with divisions to identify and assess stakeholder needs, and collaborates with other departments and external organizations.

HIGHLIGHTS

- ◆ *Conducted research, analysis and provided leadership for the development and introduction of two new acts: the Local Governance Act and the Community Planning Act. The acts bring New Brunswick's local governance legislation in line with most other Canadian jurisdictions as well as provide a modernized planning and development legislative regime that will better serve the needs of New Brunswick communities.*
- ◆ *Completed amendments to the Society for the Prevention of Cruelty to Animals Act to enhance animal protection.*
- ◆ *Provided policy support leading up to the amendment of the Clean Environment Act to ban the disposal of hydraulic fracturing wastewater in sanitary sewer systems.*
- ◆ *Completed amendments to the General Regulation – Beverage Containers Act to increase handling fees, repeal the requirement for redemption centres to remove bottle caps prior to recycling, and eliminate barriers to the joint handling of alcoholic and non-alcoholic containers.*
- ◆ *Led the repeal of An Act to Comply with the Request of The City of Saint John on Taxation of the LNG Terminal.*
- ◆ *Made significant progress in building positive relationships with First Nations in general and continue to engage on the water strategy, climate change and EIAs.*

Financial information

Expenditures	Main Estimates	Appropriation Transfers	Budget	Actual	Variance
Corporate Services					
– Senior Management	547.0		547.0	540.5	7
– Corporate Services	3,403.0		3,403.0	3,575.9	(173)
Local Government					
– Local Service District Expenditures	51,582.0		51,582.0	51,493.9	88
– Community Funding and Equalization Grant	67,076.0	337.3	67,413.3	67,413.3	0
– Municipal and Rural Community Property Tax Warrant	1,000.0		1,000.0	675.6	324
– Community Finances	255.0		255.0	173.0	82
– Local & Regional Governance	1,221.0		1,221.0	1,382.0	(161)
Environment					
– Environment Administration	571.0		571.0	423.3	148
– Program Operations	3,865.0	31.8	3,896.8	3,335.0	*562
– Impact Management	3,157.0	52.2	3,209.2	3,066.0	143
– State of the Environment	2,335.0	16.5	2,351.5	2,694.3	(343)
– Sustainable Development and Impact Evaluation	2,097.0	8.6	2,105.6	1,617.8	488
– Climate Change Secretariat	902.0	2.0	904.0	924.0	(20)
Assessment and Planning Appeal Board	318.0		318.0	335.2	(17)
Community Funding	152.0	7.9	159.9	147.6	12
Total Ordinary Budget	138,481.0	456.3	138,937.3	137,797.3	1,140
Total Capital (Local Service Districts)	1,000.0		1,000.0	964.1	36
Regional Development Corporation					
– Canada / New Brunswick Infrastructure Program - RDC				281.8	
– Canada / New Brunswick Infrastructure Program - Capital Projects				71,962.1	
Total Funding Provided by Regional Development Corporation				72,243.9	
Special Purpose Account					
<i>Program</i>	<i>Carry over from previous year</i>	<i>Revenue</i>	<i>Total funding</i>	<i>Expenditures</i>	<i>Carry over to next year</i>
Environmental Trust Fund	23,300.9	10,269.8	33,570.7	8,304.0	25,266.7
Revenues			Main Estimates	Actual	Variance
Return on Investment			20.0	20.8	0.8
Licenses and Permits			3,428.0	3,587.1	159.1
Sale of Goods and Services			779.0	565.3	(213.7)
Miscellaneous			2.0	43.7	41.7
Total Ordinary			4,229.0	4,216.9	(12.1)

* Lower than anticipated due to early implementation of strategic initiatives.

Note: Figures are draft and may vary slightly from information subsequently published in Supplementary Information Volume 2 Public Accounts.

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 2016-2017 for Department of Environment and Local Government.

Employee type	2016	2015
Permanent	205	230
Temporary	27	25
TOTAL	232	255

The department advertised eight competitions, including no open (public) competitions and eight 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 <i>Civil Service Act</i>	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)	0
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 boards) and 3 (hospital corporations) of the Public Service.	16(1) or 16(1)(c)	2
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)	0
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 Environment and Local Government, 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
2	<i>An Act to Repeal An Act to Comply with the Request of The City of Saint John on Taxation of the LNG Terminal</i> http://www.gnb.ca/0062/acts/BBA-2016/Chap-38.pdf	Dec. 16, 2016	<i>An Act to Repeal An Act to Comply with the Request of The City of Saint John on Taxation of the LNG Terminal</i> repealed legislation to allow the liquefied natural gas (LNG) terminal to be taxed at its assessed value.
11	<i>An Act to Amend the Clean Environment Act</i> http://www.gnb.ca/0062/acts/BBA-2016/Chap-44.pdf	Dec. 16, 2016	The amendment provided for prohibiting the discharge of wastewater from hydraulic fracturing into a wastewater works.
42	<i>An Act Respecting Animal Protection</i> http://www.gnb.ca/0062/acts/BBA-2017/Chap-16.pdf	May 5, 2017	The amendment provided for strengthened animal protection. – Note: subsections 2(7), (14) and (19) to (23) and section 3 of this Act come into force on a day or days to be fixed by proclamation.
44	<i>Local Governance Act</i> http://www.gnb.ca/0062/acts/BBA-2017/Chap-18.pdf	May 5, 2017	The new <i>Local Governance Act</i> replaced the <i>Municipalities Act</i> to provide local governments with broader powers to deal with local matters and to modernize local government legislation in New Brunswick. – Note: This Act or any provision of it comes into force on a day or days to be fixed by proclamation.
45	<i>Community Planning Act</i> http://www.gnb.ca/0062/acts/BBA-2017/Chap-19.pdf	May 5, 2017	An Act to repeal and replace the <i>Community Planning Act</i> provided a modernized planning and development legislative regime, which will better serve the needs of New Brunswick communities. – Note: This Act or any provision of it comes into force on a day or days to be fixed by proclamation.
46	<i>An Act Respecting Local Governance and Community Planning</i> http://www.gnb.ca/0062/acts/BBA-2017/Chap-20.pdf	May 5, 2017	The amendments provided for consequential amendments to various acts and regulations as a result of the new <i>Local Governance Act</i> and <i>Community Planning Act</i> . – Note: This Act or any provision of it comes into force on a day or days to be fixed by proclamation.
67	<i>An Act Respecting Family Day</i> http://www.gnb.ca/0062/acts/BBA-2017/Chap-38.pdf	May 5, 2017	The amendments provided for the creation of a new paid holiday known as “Family Day” starting in February 2018. – Note: This Act comes into force on Jan. 1, 2018.

Name of regulation	Effective date	Summary of changes
Local Service Districts Regulation – <i>Municipalities Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-23.pdf	April 1, 2016	The amendment provided for the additional service of non-fire related rescue within the LSD of Grande-Digue.
Wellfield Protected Area Designation Order – <i>Clean Water Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-34.pdf	June 1, 2016	The amendments designated as protected areas the ground water recharge areas, or portions thereof, that supply water to the following communities: <ul style="list-style-type: none"> – Bouctouche – Hartland – Caraquet/Bas-Caraquet – Quispamsis – Clair – Richibucto – Doaktown – Sackville – Dorchester – St. Hilaire
Municipalities Order – <i>Municipalities Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-35.pdf	June 1, 2016*	The amendments provided for the annexation of a portion of the LSD of Shediac Cape to Shediac. <i>* effective date of annexation and order.</i>
Municipalities Order – <i>Municipalities Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-37.pdf	June 1, 2016*	The amendments provided for the annexation of portions of the LSDs of Scoudouc, Shediac Cape and the parish of Moncton, to Dieppe. <i>* effective date of annexation and order.</i>
Barrier-Free Design Building Code Regulation – <i>Community Planning Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-51.pdf	Sept. 1, 2016	The amendment provided for the clarification of barrier-free requirements related to general application, sleeping units in roofed accommodations, and suites of residential occupancy required to be barrier-free.
Municipalities Order – <i>Municipalities Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-61.pdf	Nov. 1, 2016* Jan. 1, 2017**	The amendments provided for the annexation of a portion of the LSD of Chaleur and a portion of the Village of Eel River Crossing to the Village of Charlo. <i>* effective date of order</i> <i>** effective date of annexation</i>
Potable Water Regulation – <i>Clean Water Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-67.pdf	Dec. 1, 2016	The amendments provided for the facilitation of the consolidation of laboratory services.
General Regulation – <i>Beverage Containers Act</i> http://www.gnb.ca/0062/acts/BBR-2016/2016-71.pdf	Dec. 14, 2016	The amendments provided for the increase in handling fees and the creation of program efficiencies.
Rural Community of Haut-Madawaska Regulation – <i>Municipalities Act</i> http://www.gnb.ca/0062/acts/BBR-2017/2017-3.pdf	Mar. 20, 2017* July 1, 2017**	The regulation provided for the creation of the rural community of Haut-Madawaska. <i>* date of filing</i> <i>** effective date of incorporation</i>

The Acts and regulations for which the department was responsible in 2016-2017 may be found at:
<http://laws.gnb.ca/en/deplinks?subjectnumber=31>

Summary of Official Languages activities

Introduction

The department has in place an action plan that was developed and approved in 2015. It includes each of the four sectors of focus found GNB's **Plan on Official Languages: Official Bilingualism: A Fundamental Value**. Several activities have been set up for the coming years, some of which have already been completed and others are in progress.

Focus 1

Overall anticipated outcome

New Brunswickers will continue to have access to service of equal quality in English and French throughout the province.

Department objective

The objective was to ensure that employees had a good understanding of the Language of Service policy.

Activity

All employees are requested to complete the Language of Service iLearn module. The completion is to be repeated every two years. The target was 60 per cent and the department exceeded it with a completion rate of 69 per cent.

Focus 2

Overall anticipated outcome

All employees will work in an environment and climate that will encourage them to use the Official Language of their choice in their workplace.

Department objective

The objective was to ensure that employees have a good understanding of the Language of Work policy.

Activity

All employees are requested to complete the Language of Work iLearn module. The completion is to be repeated every two years. The target was 60 per cent and the department exceeded it with a completion rate of 64 per cent.

Focus 3

Overall anticipated outcome

New and revised provincial government programs and policies will take into account the realities of the two Official Linguistic communities.

Activity

The department presented new and revised government programs and policies with respect to the *Official Languages Act*. It provided materials in both Official Languages and simultaneous translation was available during public consultations. If simultaneous translation was unavailable, the department ensured that someone was available on site to provide services in both Official Languages.

Focus 4

Overall anticipated outcome

Public service employees will continue to have a thorough knowledge and understanding of the Act, policies, and regulations and GNB's obligations with respect to Official Languages. The knowledge gained will be maintained by employees when supported by specific strategies, both at the departmental and corporate level.

Department objectives

The objective was to ensure that all new employees were provided on orientation that would include policies on related to the *Official Languages Act*. For current employees, they are requested to read the Official Languages policies as part of their annual performance review.

Activity

The objective was met as orientation has been provided to all new employees (regular and casual), including information about the *Official Languages Act* and the policies and regulations governing their interactions with respect to Official Languages. They are to sign and send confirmation to Human Resources that they have done this.

Conclusion

The department recognizes its obligations under the *Official Languages Act* and related policies and makes a conscious effort to provide quality services to staff and clients in both Official Languages. In 2016-2017, the department continued to offer services in both Official Languages despite a significant increase in public consultations and working group meetings.

Official Languages complaints

In 2016-2017, the department did not receive any Official Languages complaints.

Summary of recommendations from the Office of the Auditor General

Name and year of audit area	Total	Adopted
Solid Waste Commissions 2012 – Vol. 2 http://www.gnb.ca/OAG-BVG/2012v2/2012v2-E.ASP	13*	7

* 1 recommendation deemed no longer applicable

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 Environment and Local Government did not receive any disclosure(s) of wrongdoing in the 2016-2017 fiscal year.