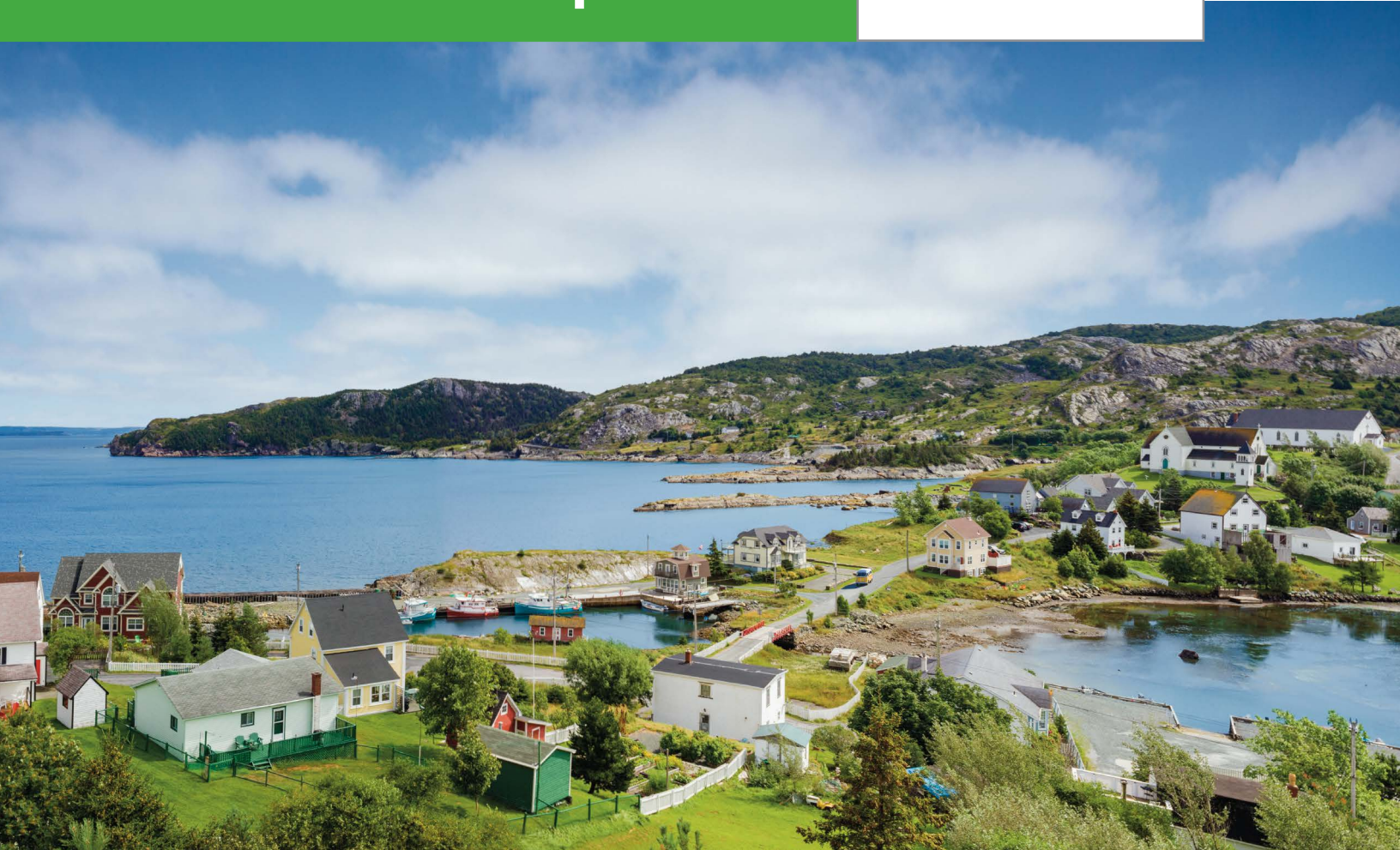


Municipal Affairs and Environment

Annual Report

2017-18





MESSAGE FROM THE MINISTER

It is my pleasure to present the 2017-18 annual performance report for the Department of Municipal Affairs and Environment. This report was prepared in accordance with the Transparency and Accountability Act requirements for a category 1 government entity.

This annual report covers the first year of the three-year planning period (2017-2020) and provides details on the indicators and objectives for the 2017-18 fiscal year.

I would like to acknowledge the efforts of departmental staff and our community partners in accomplishing this year's objectives. As a department, we have strived to ensure that residents live in safe and sustainable communities served by strong local governments. We have worked to support environmental protection and enhancement, as well as address the issue of climate change, and improve our emergency preparedness response and coordination of fire service delivery.

My signature below is indicative of my accountability for the reported results in these focus areas.

A handwritten signature in black ink, consisting of a stylized 'A' followed by a horizontal line and a small flourish.

Hon. Andrew Parsons
Minister of Municipal Affairs and Environment

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Departmental Overview

The Department of Municipal Affairs and Environment (the department) is a category 1 government entity under the **Transparency and Accountability Act** supporting the economic, social, and environmental sustainability of municipalities, communities, and regions through the delivery of effective programs, services and supports to local governments and stakeholders.

The department supports the strategic directions of government in creating a climate conducive to economic growth and sustainability, building resilient communities for long-term success, and working collaboratively across multiple sectors to improve services and outcomes for residents and visitors.

The Office of Climate Change (now, Climate Change Branch) merged with the Department of Municipal Affairs and Environment during the 2017-18 reporting period. This report will also discuss the Office's objectives and accomplishments from the past year.

Reporting Entities

Under the **Transparency and Accountability Act**, a number of government entities also prepare plans and annual reports. Entities which report to the Minister include:

- Multi-Materials Stewardship Board
- Municipal Assessment Agency Inc.
- NL911 Bureau Inc.
- Central Newfoundland Regional Appeal Board
- Eastern Newfoundland Regional Appeal Board
- West Newfoundland Regional Appeal Board
- Humber Valley Regional Planning Advisory Authority Leadership Committee
- North East Avalon Regional Plan Oversight Committee

Organizational Structure

- The department is organized into the following four branches:
Municipal Infrastructure and Support is responsible for the divisions of Municipal Infrastructure and Waste Management, Municipal Finance, and Municipal Support.
- **Fire, Emergency and Corporate Services** is responsible for the divisions of Fire Protection Services, Emergency Services, Local Governance and Land Use Planning, Policy and Strategic Planning, Legislative Renewal, and Strategic Financial Management.
- **Environment** is responsible for the divisions of Water Resources Management, Pollution Prevention, and Environmental Assessment and Sustainable Development.
- **Climate Change** is responsible for strategy and policy development on climate change adaptation and mitigation and energy efficiency, including the integration of climate change considerations throughout the Provincial Government.

Staff and Budget

As of March 31, 2018, the department had 200 employees (150 permanent, 42 temporary, and 8 contractual); approximately 54 per cent of employees are female and 46 per cent are male. The department headquarters are in St. John's (161 employees) with additional employees located in Clarenville (1), Gander (10), Grand Falls-Windsor (6), Deer Lake (3), Corner Brook (13), and Happy Valley-Goose Bay (6).

The department's gross expenditure budget for 2017-18 was \$281,783,800 with planned related revenue of approximately \$103,875,600 for a net expenditure of \$177,908,200. Please refer to financial information (p. 30-34) for a summary of expenditures and related revenue.

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Division	# of Employees	Divisional Budget
Executive Support	9	\$2,523,900
Strategic Financial Management	13	\$966,600
Local Governance and Planning	12	\$1,157,800
Policy and Strategic Planning	15	\$1,401,000
Fire Services	9	\$1,512,100
Emergency Services	9	\$7,165,400
Municipal Finance	12	\$652,900
Regional Support	35	\$84,971,100
Engineering and Infrastructure	12	\$70,714,700
Pollution Prevention	27	\$2,396,600
Water Resources Management	32	\$2,654,500
Environmental Assessment and Sustainable Development	9	\$532,100
Climate Change	9	\$1,259,500

Highlights and Partnerships

Highlights

Flood Forecasting and Alert Services for the communities of Mud Lake and Happy Valley-Goose Bay

The community of Mud Lake was evacuated on May 17, 2017, in response to an early morning flood on the Lower Churchill River caused by an ice jam at the river's outlet into Goose Bay.

The department engaged renowned river ice specialist, Dr. Karl-Erich Lindenschmidt of the University of Saskatchewan, in June 2017 to conduct an independent review to determine the reasons for the flooding event. Dr. Lindenschmidt, took into consideration local knowledge of the impacted area and provided guidance on actions government could take to avoid or mitigate impacts of potential future flooding. Dr. Lindenschmidt submitted a report to the Provincial Government on September 29, 2017.

In line with the recommendations of the report, the department developed and implemented a Flood Management Plan, River Management Plan, and Community Safety Plan in consultation with residents of Mud Lake and Happy Valley-Goose Bay.

The Flood Management Plan follows a multi-barrier approach that includes numerous elements such as:

- the expansion of water and weather monitoring network along the river;
- the development of flood risk mapping and flood/ice forecasting models for Mud Lake and Happy Valley-Goose Bay;
- the monitoring of ice extent and change through the use of satellite imagery;
- the monitoring of ice thickness using Ground Penetrating RADAR and field measurements; and

- a dedicated webpage to post monitoring information for “Churchill River Early Flood Warning and Alert System” as soon as it becomes available.

http://www.mae.gov.nl.ca/waterres/flooding/lc_flood_warning.html#2

The Community Safety Plan includes a Local River Watch Monitoring Committee (LRWMC) that has been set up and led by MAE and consists of local and Government representatives. MAE staff in Happy Valley-Goose Bay coordinate the LRWMC. The department receives weekly monitoring activity updates and holds biweekly meetings to solicit feedback during the ice formation and ice breakup seasons.

Implementation of the River Management Plan is being led by Nalcor Energy. Nalcor Energy has implemented a mass notification system that dials residents when the department issues a flood warning. Approximately 900 residents have registered to receive notifications.

Environmental Database Management System

During 2017-2018, in conjunction with Office of the Chief Information Officer (OCIO), the department implemented a new Environmental Database Management System (EDMS). Several years of planning and development activities has resulted in a system that provides a customized approach to the collection and management of environmental data and documentation pertaining to industrial operations.

The EDMS is comprised of two main components: an internal system for departmental users and an online service for reporting of data by external clients such as industrial facilities. Key features and benefits of the EDMS include:

- providing a streamlined means of collecting and reporting on monitoring data and other industrial information;
- facilitating accurate management of data from monitoring programs resulting in better quality of data;

- ensuring that data is reported in a standardized format, which ensures a consistent approach for all industrial sites;
- enabling central access to up-to-date industrial data and records;
- improving tracking of inspections, Certificates of Approval, complaints and various follow-up items for industrial sites; and
- providing necessary support to meet internal and external reporting requirements.

Federal-Provincial-Territorial Meeting on Emergency Management

Senior Officials Responsible for Emergency Management (SOREM) is a federal/provincial/territorial entity that works to harmonize and improve emergency management practices across the country. SOREM includes representatives from provincial and territorial emergency management organizations and Public Safety Canada. The department co-chaired this committee from January 2016 - December 2017.

As co-chair, the department hosted a meeting of federal/provincial/territorial ministers responsible for emergency management in St. John's in May 2017. Ministers discussed how disasters pose an increasing threat to the safety and the economic stability of communities and businesses, and they agreed to continue to work together on long-term solutions to sustainable disaster recovery. Identified solutions included moving towards a more balanced approach to emergency management and focusing on disaster prevention and mitigation.

Throughout 2017-18, the department also took part in a number of SOREM initiatives. The department contributed to the development of the National Emergency Management Strategy to strengthen emergency management capacity across the country. The department also engaged in the National Roundtable on Flood Risk which included stakeholders from all three levels of government, private sector, national Indigenous organizations, academia and non-government organizations. This

roundtable opened discussion on best practices to mitigate against, prepare for, respond to and recover from flood events. As a member of SOREM, the department took part in the National Public Safety Broadband Network initiative and reviewed and contributed to the guidelines for Infrastructure Canada's National Disaster Mitigation and Adaptation Fund.

Updated Climate Projections for Newfoundland and Labrador

In 2017-18, the department partnered with Memorial University of Newfoundland (MUN) to update the 2013 climate projections for Newfoundland and Labrador in light of improvements to climate modelling and the latest global climate change projections released by the Intergovernmental Panel on Climate Change. The update includes both mid- and late century projections (for 2041-2070 and 2071-2100) and data from 28 weather stations across the province for temperature and precipitation as opposed to the 16 locations used in the 2013 study. The updated projections also use smaller 25x25 kilometre grid sizes, where possible, to predict local changes, providing more detail on anticipated changes at a local level than using the 50x50 kilometre grid sizes used in the previous study.

The new projections suggest that while the long-term trends towards a wetter, warmer and stormier climate remain, the magnitude of change is expected to be greater than was previously projected in 2013. Projections are available for 20 different temperature and precipitation variables, including average daily mean temperatures; heating, cooling and growing degree days; number of frost and frost free days; mean daily precipitation; mean intensity of precipitation events; number of days with 10 millimetres or more of precipitation; and average dry spelling length.

These revised projections enhance understanding of the impacts of climate change in Newfoundland and Labrador and provide better information to inform adaptation policy and decision-making in the province. The department will work with MUN and other

partners to disseminate information on these findings, and continues to engage with stakeholders on measures to improve resilience to the impacts of climate change.

Premier's Forum Leads to Valuable Discussions on Regional Government

In keeping with The Way Forward commitments, MAE was pleased to work with the Premier's Office, Municipalities NL, Combined Councils of Labrador and Professional Municipal Administrators to organize the second annual Premier's Forum.

The Premier's Forum was held in Corner Brook on November 1, 2017 and provided an opportunity for Premier Ball and the Minister of MAE to engage in discussions with delegates from the municipal sector on the sustainability of local governments and regional governance.

During the Premier's Forum, participants received a verbal report back on the in-person consultations on regional government held in 2017 and discussed how three potential shared service models and three hypothetical models of regional government could be implemented in the province.

Elimination of Limit of Service Agreements for Municipalities

The department followed through on its commitment from The Way Forward: Realizing Our Potential to review municipal and environmental permitting processes. The department amended its municipal infrastructure policies to eliminate the requirement for municipalities to enter into Limit of Service Agreements.

A Limit of Service Agreement was an agreement between the Provincial Government and a municipality or an Inuit Community Government that defined the area within which municipal water, sewer and/or road infrastructure projects were eligible for cost-shared provincial funding under all provincial and federal funding programs administered by the department. These agreements were previously required in order to be eligible for that

cost-shared funding and helped ensure that infrastructure funding was used to rehabilitate, upgrade and expand existing infrastructure rather than for new development.

By removing Limit of Service Agreements, the department is able to expedite decisions on infrastructure funding, as it is one less piece of assessment required. This is in keeping with practices in other jurisdictions.

Building on the initiative to eliminate the Limit of Service agreements, the department adjusted the eligibility criteria of the department's infrastructure programs to make it consistent with the policy intent of the original process, but without the additional review requirements

(https://www.mae.gov.nl.ca/capital_works/pdf/Mun_Infr_Proj_Guide_Nov_2017.pdf).

Amendments to the guidelines for the provincial and federal-provincial infrastructure programs will allow for greater flexibility for assessing and responding to municipalities' needs and circumstances.

Partnerships

Energy Efficiency Loan Program

In October 2017, MAE launched the Energy Efficiency Loan Program (EELP). Supported by an investment of \$4 million dollars over three years, EELP is fully funded by the Provincial Government and is delivered in partnership with takeCHARGE, an energy efficiency initiative of Newfoundland Power and Newfoundland and Labrador Hydro. EELP provides low-interest financing of up to \$10,000 for the purchase and installation of heat pumps or insulation, or to have a home energy assessment carried out by a certified professional. The financing is repayable on the participant's electricity bill over a maximum term of five years.

In 2017-18, 110 households availed of EELP assistance, resulting in the distribution of over \$610,000 in financing. As a result of EELP assistance to date, aggregate energy savings of approximately 503,000 kilowatt hours are anticipated on an annual basis.

Rainbow Riders Therapeutic Riding Centre – Extension and Upgrade of Facilities

Rainbow Riders Therapeutic Riding Newfoundland and Labrador is a local non-profit organization that assists children with physical, cognitive, and emotional disabilities. Through their nationally certified therapeutic horseback riding program, Rainbow Riders offers a progressive form of therapy to improve strength, circulation and sensory integration. The connections the children make with the animals also helps improve communication skills, increase self-confidence, and reduce stress.

More than \$2.5 million in federal and provincial funding was provided for upgrades and an extension of the Rainbow Riders Therapeutic Riding Centre. This funding was realized through partnerships with Infrastructure Canada, the Atlantic Canada Opportunities Agency, the provincial departments of Health and Community Services, Children, Seniors and Social Development, and included \$1 million from the Department of Municipal Affairs and Environment.

The project involved extending the outdoor riding space, completing accessibility upgrades to the riding trails and learning centre, integrating a new barn and feed storage area, constructing a new fully winterized riding arena, as well as new offices and a multi-purpose room. Benefits of the new facility include increased capacity that will allow Rainbow Riders to triple their riders and saddle time and increase their overall programming hours by 350 per cent.

The new, upgraded facility was officially opened on December 15, 2017.

Report on Performance

This document reports on the strategic goals and annual objectives applicable to the first year of the Department of Municipal Affairs and Environment 2017-20 Strategic Plan as well as the Office of Climate Change 2017-2020 Business Plan.

The text below explains the two key issues in the department's plan, as well as the corresponding goals and results.

Issue One – Clean, Safe, and Sustainable Municipalities and Regions

The department is responsible for protecting the environment and mitigating adverse human impacts on it, both now and into the future. The department is also responsible for supporting and enabling municipalities, communities, and regions, and for overseeing the protection of people and property from emergencies, fires, and environmental damage.

Clean air, water, and soil are essential for human health and well-being. Safe and sustainable municipalities, communities, and regions exist where all individuals can live without fear or risk of harm and where environmental, social, and economic resources are protected.

Clean, safe, and sustainable municipalities and regions are characterized by strong local governments with the capacity to deliver appropriate services to current and future residents; respond to and recover from adverse events; and manage land-use and infrastructure development to support economic and social needs.

The department is committed to working with communities and applicable provincial and federal partners to support strong environmental protection programs and policies, as well as safe and sustainable communities.

2017-2020 Goal
By March 31, 2020, the Department of Municipal Affairs and Environment will have advanced environmental protection and strengthened municipal and regional safety and sustainability.

2017-18 Objective
By March 31, 2018, the Department of Municipal Affairs and Environment will have begun implementation of actions toward a cleaner environment and safer, more sustainable municipalities and regions.

Planned Indicator	Actual Results
Initiated development of a new Drinking Water Safety Action Plan	<p>In 2017-18, MAE researched the key elements of a Drinking Water Safety Action Plan framework relating to public, commercial, institutional, and private water supplies.</p> <p>Key elements of the Action Plan will include community engagement, innovative water treatment technology, infrastructure investment and a reduction in boil water advisories.</p> <p>The key goal of the plan will be to improve drinking water quality for public, commercial, institutional and private supplies based on the principle of a multi-barrier approach to protection.</p> <p>MAE intends to advance a proposal to the Deputy Minister level Drinking Water Committee in 2018-19. An inventory of commercial and institutional water supplies is also in progress.</p>
Conducted environmental site assessments of former military radar sites in Labrador	Phase II Environmental Site Assessments (ESAs) were completed in 2017-18 at the Border Beacon and Cartwright sites below budget; at a cost of

	<p>\$197,000 (original budget was \$250,000).</p> <p>The Federal Government has completed similar work at three other Mid-Canada Line military radar sites.</p> <p>In Budget 2018, the Province Government has allocated \$500,000 for 2019-2020 to conduct Phase III ESAs, risk assessments, and final remediation preparation. The Federal Government will spend an equivalent amount.</p> <p>It is expected that once this final assessment work is completed a formal Federal-Provincial funding agreement to remediate the Mid-Canada Line military radar sites will be pursued with the intent to start remediation work in 2019-20.</p>
<p>Developed models of regional governance and/or shared service delivery for consultation</p>	<p>Between August and October 2017, the department consulted with the public and municipal stakeholders on the subject of regional governance and service sharing.</p> <p>Consultation results were released in December 2017 (https://www.engagenl.ca/engagement-initiatives/regional-government.)</p> <p>The theme of the 2018 Premier’s Forum was regional governance. The department developed three potential models of governance and service sharing for participants to comment on.</p>

	<p>As committed to in The Way Forward, this work supports government’s commitment to develop pilot project options to encourage communities to pursue infrastructure improvements and deliver services collaboratively in a manner that ensures a local voice for all residents.</p>
<p>Begun implementation of multi-year municipal capital works program</p>	<p>In 2017-18, the department continued to implement the multi-year municipal infrastructure plan launched through Budget 2017. Approximately 208 municipal infrastructure projects were approved in 2017-18 across all provincial and federal-provincial programs with total project values of over \$239 million.</p> <p>Projects were advanced to the federal government by March 31, 2018 to complete government of NL’s uptake of the Small Communities Fund. Further projects will occur in 2018-19.</p> <p>The department also began negotiations with the Federal Government on an integrated bilateral agreement for the Investing in Canada Infrastructure Program to secure \$555.8 million in federal infrastructure funding from 2018-2028. This agreement is expected to be finalized in 2018-19.</p>
<p>Reviewed Municipal Operating Grant formula</p>	<p>The review of the municipal operating grant formula was deferred to 2018-19 due to delays in receiving the updated detailed census information</p>

	from Statistics Canada. This information has now been received by the department, and the review will be completed in 2018-19.
Delivered coaching and mentoring phase of service capacity pilot program to a number of municipal fire departments	The department reassessed and worked with 50 municipal fire departments to develop work plans to improve service delivery within local municipalities. Throughout the year, departmental staff coached, mentored and monitored work plans for enhanced delivery.

Discussion of Results:

In 2017-18, the department advanced work in ensuring the sustainability of regions and municipalities. Working with communities to explore options for service sharing and regional infrastructure projects ultimately leads to a better use of resources and will achieve the goals of safe and sustainable regions. The progress made on initiatives such as the Drinking Water Action Plan and the remediation of contaminated sites will improve environmental protection for years to come.

2018-19 Objective:

By March 31, 2019, the Department of Municipal Affairs and Environment will have continued to build on its efforts toward improved environmental protection and municipal and regional safety and sustainability.

Indicators:

- Worked toward drafting the Drinking Water Safety Action Plan
- Continued environmental site assessment work on former military radar sites in Labrador
- Finalized integrated bilateral agreements on federal infrastructure funding and continued implementation of a multi-year municipal capital works program, including new federal funding.

- Reviewed Municipal Operating Grant formula.
- Advanced analysis of regional governance/ service sharing pilot areas and potential models.

Issue Two - Modern and Efficient Frameworks

The Department of Municipal Affairs and Environment is responsible for approximately 40 pieces of legislation and associated regulations and policy frameworks to support local governance and planning, fire and emergency services, environmental protection, and climate change action.

The department’s strategic focus until 2020 will be on renewal of legislation, regulation and policy to support responsive, innovative and efficient program and service delivery. The department will review frameworks to modernize relevant municipal and environmental legislation and regulations. This review will consider processes, permits and authorizations to ensure clarity and efficiency for the public and local governments, as well as environmental, business, and industry stakeholders.

2017-2020 Goal
By March 31, 2020, the Department of Municipal Affairs and Environment will have advanced the modernization of legislative, regulatory, and policy frameworks.

2017-18 Objective	
By March 31, 2018, the Department of Municipal Affairs and Environment will have initiated modernization of legislative and policy frameworks.	
Planned Indicator	Actual Result
Initiated a review of the municipal and environmental permitting process	A number of key existing regulatory and legislative permitting and licensing processes were reviewed in an effort to better align with lean best practices and process improvement tools. Requirements

	<p>associated with specific permits and licenses, business processes, timelines, information technology (IT) infrastructure, public interfaces and service standards were examined.</p> <p>Upon review, the Limit of Service requirements for municipal infrastructure funding programs were removed and replaced with revised program guidelines that will achieve the same policy objective of ensuring efficient use of municipal infrastructure funding and reducing administrative burden. This will eliminate project delays associated with the previous process of amending Limit of Service Agreements.</p> <p>A review of the permitting and licensing requirements of the Water Resources Management Division was conducted and a number of information technology challenges were noted with respect to the permit tracking system (Entrack). As a result, 15 improvements to the existing functionality of Entrack and nine new functionalities will be added to the system.</p> <p>A review of all Land Use Planning processes was completed; including municipal plan reviews, registrations and</p>
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	<p>amendments. Through the lean process, several internal process improvements have been/are being implemented. Specifically, authority for the registration of municipal plans, development regulations, and amendments to the same has been delegated to the Director of Local Governance and Land Use Planning; the process for Protected Road Zone amendment requests is being streamlined and should result in costs savings to government; all expropriation requests are being handled by a single individual for consistency and efficient processing; and the Regional Appeal Board process is being streamlined in an effort to reduce delays in appeals. Aspects of the Regional Appeal Board process under consideration for streamlining include; improving timelines through better scheduling of hearings to prevent backlogs, and improving hearings with respect to earlier document disclosure.</p> <p>A comprehensive review of municipal legislation was initiated. This legislative review will consider, among other things, the role of the provincial government in municipal approval processes. The first phase of public consultations, an open call</p>
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	<p>for submissions, was completed. The department received over 70 written submissions from individuals, local service districts, towns, cities and interest groups.</p>
<p>Initiated a review of the hazardous materials response model.</p>	<p>The department engaged select stakeholders to review and suggest modifications to the hazardous materials response model. Stakeholder input is currently under review and analysis is ongoing.</p>
<p>Drafted amendments to the Emergency Services Act.</p>	<p>The department is continuing an internal review of the Emergency Services Act.</p> <p>As the department is also conducting a review of municipal legislation, a decision regarding amendments to the Emergency Services Act was deferred to allow time to determine if any additional amendments are required as a result of changes to municipal legislation.</p>
<p>Conducted a jurisdictional review and stakeholder consultations to support a review of Environmental Assessment legislation and regulations.</p>	<p>The department completed a jurisdictional scan of relevant legislation, business process, and best practices across Canada, including gathering feedback on information-sharing processes and timelines associated with environmental assessments.</p> <p>The department has actively participated and engaged in the federal environment assessment review process, as well as</p>

	<p>providing feedback on the proposed federal legislation.</p> <p>An interdepartmental working group comprised of key regulatory and economic development departments was established.</p> <p>Direction has been received for the department to work with the Communications and Public Engagement Branch to commence consultations on the review of the Environmental Assessment process.</p>
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Discussion of Results:

In 2017-18, the department advanced the modernization of legislative and policy frameworks by initiating a review of a number of key existing regulatory and legislative permitting and licensing processes. The department has undertaken public consultation and a review of several pieces of municipal legislation. Limit of Service requirements for municipal infrastructure funding programs and implemented revised program guidelines were removed. The department has committed to working with the OCIO on a number of IT challenges identified in the water resources permitting and licensing requirements. The department also actively participated and engaged in the federal environmental assessment (EA) review process while also conducting a review of provincial environmental assessment legislation and processes.

2018-19 Objective:

By March 31, 2019, the Department of Municipal Affairs and Environment will have continued efforts toward legislative and policy renewal.

Indicators:

- Continued collaboration with the OCIO to implement suggested IT improvements.
- Completed a review of municipal legislation and released a “What We Heard” document summarizing public consultation feedback.
- Worked to implement business process improvements to municipal and environmental permitting processes.
- Established advisory committee to consider legislative amendments and the need for consultation on environmental assessment process/legislation/requirements.

Report on Performance

In August 2017, the Office of Climate Change moved from Executive Council and was integrated into the Department of Municipal Affairs and Environment as the Climate Change Branch. Goals and objectives of the Office of Climate Change 2017-2020 Business Plan are addressed in this annual report.

Issue One – Transitioning to a Low-Carbon, Climate-Resilient Economy

Global temperatures are rising, and as a result, climatic conditions are changing. The five warmest years on record have all occurred since 2010, and 2017 was the third-warmest year on record.

Climate change is expected to bring warmer, wetter and stormier weather conditions to Newfoundland and Labrador. The impacts associated with these changes are already apparent, including overland flooding, storm surges, coastal erosion, and reduced sea ice. Such changes will affect all sectors, communities, and the natural environment, presenting risks as well as new opportunities.

To contribute to global efforts to tackle climate change, the Provincial Government has committed to take action to reduce greenhouse gas (GHG) emissions and to adapt to

the unavoidable impacts of climate change. This work will enable the province to be better positioned to minimize potential risks associated with climate change, and maximize new opportunities associated with the transition to a climate-resilient, low-carbon economy.

2017-2020 Goal
By March 31, 2020, the Office of Climate Change will have advanced initiatives to mitigate greenhouse gas emissions, strengthen resilience to the impacts of climate change and increase energy efficiency to support growth in the green economy in the Province.

2017-18 Objective
By March 31, 2018, the Office of Climate Change will have developed a new five year plan for taking action on climate change.

Planned Indicator	Actual Result
Continued to engage internal and external stakeholders and entities in the development of a new plan for taking action on climate change in Newfoundland and Labrador.	<p>In 2017-18, the department actively engaged internal and external stakeholders to inform the development of the climate change action plan.</p> <p>The department also engaged stakeholders on a range of initiatives for consideration as part of the plan, including:</p> <p>Regulations under the Management of Greenhouse Gas Act: The department completed consultations related to regulations pursuant to the Management of Greenhouse Gas Act, consulting large industrial companies in the oil extraction and refining, mining, pulp and paper and electricity generation sectors, and</p>

	<p>Indigenous governments and organizations.</p> <p>Building Resilience Project: In collaboration with MUN, Professional Engineers Group of Newfoundland and Labrador, Municipalities Newfoundland and Labrador and Engineers Canada, the department secured \$120,000 of funding from Natural Resources Canada to integrate consideration of climate change into the design of public infrastructure. A two-day workshop with over 75 participants drawn from engineering consultancies companies, municipalities, the Provincial Government and industry associations marked the kick off of this initiative.</p> <p>Provincial Climate Change Projections: The department collaborated with MUN to update the 2013 provincial climate change projections, using the latest global climate change scenarios. This data will be used to support the implementation of adaptation policy over the next five years, encompassing the full duration of the new five-year plan.</p> <p>Electric Vehicle Working Group: In partnership with the Department of Natural Resources, the department established an Electric Vehicle Working Group with representation from Provincial Government departments, the electric utilities, industry and municipalities. The group is</p>
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	<p>examining the scope for increasing the market prevalence of electric vehicles in the province.</p> <p>Leveraging Federal Funding: The department has collaborated with other departments, agencies and stakeholder groups on federal funding available for climate change initiatives, and provided support to advance proposal submissions. MAE collaborated with the Conservation Corps of Newfoundland and Labrador to support a Federation of Canadian Municipalities’ proposal aimed to increase education and awareness of municipalities on climate change; work will be advanced through 2018-19.</p>
<p>Released a new plan for taking action on climate change in Newfoundland and Labrador</p>	<p>Substantial work has been completed on the development of a new climate change action plan and it is anticipated that the action plan will be released in 2018 following conclusion of ongoing discussions with the federal government regarding carbon pricing.</p>

Discussion of Results:

In 2017-18, the department continued to advance initiatives to mitigate greenhouse gas emissions and strengthen resilience to the impacts of climate change. The department actively engaged with internal and external stakeholders to advance efforts and develop further action to tackle climate change, including on the development of a made-in-Newfoundland and Labrador approach to carbon pricing as well as a new Climate Change Action Plan. Further to this, the department has sought opportunities to leverage federal funding to support measures that reduce energy consumption, stimulate clean-economic growth, and build resilience to climate change.

2018-19 Objective:

By March 31, 2019, the Office of Climate Change will have further built capacity and understanding of climate change and energy efficiency.

Indicators:

- Released a new plan for taking action on climate change in Newfoundland and Labrador.
- Engaged internal and external stakeholders to government to raise awareness and develop measures to reduce GHG emissions, build climate resilience and support the transition to a low carbon economy.

Issue Two – Advancing the Pan-Canadian Framework on Climate Change and Clean Growth

In December 2016, federal, provincial and territorial governments launched the Pan-Canadian Framework on Clean Growth and Climate Change (PCF) to build on existing actions to reduce emissions and adapt to the impacts of climate change and promote clean economic growth.

The PCF is based on four key priority areas of action:

- Implementing carbon pricing policies to reduce GHG emissions,
- Advancing other complementary policy, regulatory and technology-based measures to reduce GHG emissions;
- Fostering opportunities for clean technologies, innovation and related long-term employment; and,
- Building resilience to the impacts of climate change.

To support implementation of the PCF, the department will continue to work with the Federal Government and other stakeholders to advance fair and flexible approaches to taking action on climate change.

2017-2020 Goal
By March 31, 2020, the Office of Climate Change will have worked with other jurisdictions to advance implementation of the PCF.

2017-18 Objective	
By March 31, 2018, the Office of Climate Change will have worked with other departments and jurisdictions to establish a governance framework and work streams to implement the PCF.	
Planned Indicators	Actual Result
Participated in PCF intergovernmental processes such as meetings and working groups.	<p>The department participated in a range of federal-provincial-territorial working groups and meetings to support the implementation of the PCF. This included participation in the following:</p> <ul style="list-style-type: none"> • Discussions on the development and design of federal carbon pricing regulations that will take effect January 1, 2019, if a province or territory does not implement a comparable carbon pricing system. • Committees on offsets, inventories, adaptation and government leadership under the Canadian Council of the Ministers of Environment. • Regulatory initiatives that complement carbon pricing, such as initiatives to enhance building codes and energy efficiency product standards. • Funding arrangements and program

	<p>development processes on matters such as the Low Carbon Economy Leadership Fund to support the reduction of GHG emissions and Building Regional Adaptation Capacity and Expertise funding to enhance climate resilience.</p> <ul style="list-style-type: none"> • Information and data initiatives to enhance national and regional understanding of the impacts of climate change and ways to integrate climate considerations into decision-making processes, such as the Canadian Centre for Climate Services (a commitment of the PCF) and the National Adaptation Platform. • Economic assessment initiatives, such as the development of a national framework to assess the impact of carbon pricing on emissions-intensive, trade-exposed industries; and • Modeling initiatives to enhance accuracy of GHG data and projections.
<p>Incorporated priority actions and commitments under the PCF into the new provincial Climate Change Action Plan.</p>	<p>The department is integrating commitments under the PCF into the new provincial climate change action plan, as appropriate to the needs of this province. To align with the priority areas of the PCF, the department has solicited feedback on carbon pricing and other measures to reduce greenhouse gas emissions, transition to a lower carbon economy and enhance climate resilience</p>

	<p>through a consultation process. Actions related to these priority areas will be integrated within the plan, including details on the provincial approach to carbon pricing, as was committed in the PCF.</p>
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Discussion of Results:

In 2017-18, the department participated in a range of federal-provincial-territorial working groups and meetings to support the collaboration between jurisdictions to implement measures in the PCF and report on progress achieved in its first year. The department is working to further align provincial approaches to climate action with the PCF through the development of a new climate change action plan.

2018-19 Objective:

By March 31, 2019, the Office of Climate Change will have built capacity and engagement among partner departments and entities to initiate priority actions under the PCF.

Indicators:

- Participated in PCF intergovernmental process related to carbon pricing, complementary policies to carbon pricing and adaptation and resilience to climate change.
- Explored opportunities to leverage federal funding to support implementation of the PCF and advance climate action in Newfoundland and Labrador.
- Engaged with partner departments to raise awareness and identify measures to further the objects of the PCF within their mandate.

Opportunities and Challenges

The department has a broad mandate and is responsible for approximately 40 pieces of legislation as well as the associated regulations and policy frameworks. Completing a meaningful review of this volume of legislation is a challenge; however, it is also an opportunity to modernize and streamline many legislative processes.

In Newfoundland and Labrador, where the population is declining, aging and spread over a large geography, governance and service delivery such as fire and emergency services remain a challenge. The department recognizes this and is working to encourage municipalities to collaborate with local governments within their region to provide shared services in order to meet the needs of all residents.

The department has the municipal and environmental expertise to provide specialized advice and information to communities on a wide range of issues. This support includes: prioritization of infrastructure projects, drinking water, waste water and waste management technologies and initiatives, pollution prevention, environmental assessment, fire protection services, emergency planning and management, governance, land-use planning, climate change impacts and adaptation, education and training, as well as provision of advice on wide ranging municipal matters.

Financial Statements

Department of Municipal Affairs and Environment		
	2017-18	2017-18
	Estimates	Expenditure
1.1.01 - Minister's Office	245,100	230,152
1.2.01 - Executive Support	1,592,700	2,209,738
Revenue - Prov.	(169,000)	(185,882)
	1,423,700	2,023,857
1.2.02 - Administrative Support	828,100	759,715
Revenue - Prov.	(5,000)	(99,807)
	823,100	659,908
1.2.03 - Strategic Financial Management	966,600	921,677
1.2.04 - Administrative Support (Capital)	32,000	53,243
Total Executive & Support Services	3,490,500	3,888,837
2.1.01 - Local Governance and Planning	1,196,300	946,017
Revenue - Prov.	(38,500)	(6,800)
	1,157,800	939,217
2.2.01 - Policy and Strategic Planning	1,401,000	1,312,390
2.3.01 - Fire Services	1,512,100	1,526,771
2.3.02 - Emergency Services	702,300	633,049
Revenue - Prov.	(103,900)	(6,143)
	598,400	626,906

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2.3.03 - Disaster Assistance	6,567,000		5,941,586
Revenue - Prov.	-		-
	6,567,000		5,941,586
Total Fire, Emergency and Corporate Services	11,236,300		10,346,870
3.1.01 - Regional Support	1,132,900		1,167,602
Revenue - Prov.	(160,000)		(320,000)
	972,900		847,602
3.1.02 - Municipal Finance	652,900		737,729
3.2.01 - Municipal Infrastructure and Waste Management	796,100		798,442
3.2.02 - Industrial Water Services	265,700		281,660
Revenue - Prov.	(120,000)		(96,991)
	145,700		184,669
3.3.01 - Municipal Debt Servicing	1,600,000		1,502,783
3.3.02 - Municipal Debt Servicing - Principal	12,400,000		12,357,099
3.3.03 - Municipal Operating Grants	22,000,000		21,875,893
3.3.04 - Special Assistance	2,716,000		4,084,108
3.3.05 - Community Enhancement	4,902,200		4,204,777
3.3.06 - Provincial Gas Tax Revenue Sharing	7,100,000		7,043,201
3.4.01 - Municipal Infrastructure	38,148,900		22,394,037

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Revenue - Provincial	(100,000)	(100,000)
	38,048,900	22,294,037
3.4.02 - Federal/Provincial Infrastructure Programs	101,078,600	73,984,223
Revenue - Federal	(69,354,600)	(43,687,317)
	31,724,000	30,296,906
3.4.03 - Canada/NL Gas Tax Program	62,758,000	41,868,923
Revenue - Federal	(31,358,000)	(31,358,312)
	31,400,000	10,510,611
3.4.04 - Fire Protection Vehicles and Equipment	1,880,000	1,857,341
Total Municipal Infrastructure and Support	156,338,700	118,595,198
4.1.01 - Pollution Prevention	2,561,200	2,404,381
Revenue - Prov.	(164,600)	(253,729)
	2,396,600	2,150,652
4.2.01 - Water Resources Management	3,457,200	4,067,605
Revenue - Prov.	(1,005,400)	(540,287)
	2,451,800	3,527,318
4.2.02 - Water Quality Agreement	1,201,300	1,190,448
Revenue - Prov.	(998,600)	(1,089,937)
	202,700	100,511
4.3.01 - Environmental Assessment and Sustainable Development	830,100	997,201
Revenue - Prov.	(298,000)	(161,268)
	532,100	835,933

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Total Environmental Management and Control	5,583,200		6,614,414
5.1.01 - Climate Change	1,259,500		972,127
Total Climate Change	1,259,500		972,127
Total Department	177,908,200		140,417,445
Total Gross Expenditures	281,783,800		218,323,918
Total Gross Revenues	(103,875,600)		(77,906,473)
Total Net	177,908,200		140,417,445

Annex A: Inactive Entities

Humber Valley Regional Planning Advisory Authority Leadership Committee

The Committee's main goal is to prepare a regional land use plan for the area; specifically, the Humber Valley Regional Plan. The Committee operates in consideration of the strategic directions of government. The Committee's activities are consistent with strategic directions related to sustainable communities, and a competitive work and business environment, which also supports The Way Forward commitment to advance regional collaboration.

During the 2017-18 reporting period, the Committee was inactive, however work continued on Government's assessment of the draft Humber Valley Regional Plan. The Committee will report again once reactivated.

