

ENERGY, MINES AND RESOURCES

VOTE 53

DEPARTMENT OF ENERGY, MINES AND RESOURCES

MINISTER

Hon. A. Lang

DEPUTY MINISTER

A. Robertson

DEPARTMENTAL OBJECTIVES

- Responsibly manage Yukon's natural resources and ensure integrated resource and land use by:
 - Issuing dispositions of interests in, and approvals and permits for the use of, lands under the administration and control of the Commissioner;
 - Regulating Yukon's natural resource wealth in accordance with legislative requirements;
 - Establishing positive government-to-government relationships with Yukon First Nations and other agencies with management responsibilities; and
 - Participating, monitoring and supporting land-based planning initiatives including regional land use planning and land claim Special Management Areas (SMAs).
- Promote investment in and responsible development of Yukon's mineral, energy, forestry, agriculture and land resources including:
 - Working to facilitate a positive investment climate that will support Yukon development in the oil and gas, oil and gas pipeline, mineral, energy, forestry and agriculture sectors;
 - Actively preparing for oil and gas transmission projects;
 - Ensuring land is available for Yukoners and Yukon development projects;
 - Securing local benefits from Yukon resource projects;
 - Working with Yukon First Nation governments to facilitate economic benefits to First Nations from resource developments within their traditional territories;
 - Encouraging value-added processing opportunities for Yukon's resources;
 - Developing and implementing initiatives to enhance investment, promotion and public education in Yukon's natural resources; and
 - Developing and providing comprehensive information on Yukon's resources to clients and stakeholders.
- Provide strategic leadership for natural resource policy and planning including:
 - Developing mineral, forestry, agriculture and land policy frameworks which reflect an integrated resource management approach; and
 - Providing energy policy leadership and energy program coordination including support of alternative energy programs.
- Continue to implement an orderly and smooth transfer of Department of Indian Affairs and Northern Development (DIAND) resource management programs.

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FINANCIAL SUMMARY (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	% CHANGE	2002-03 ACTUAL
Capital Expenditures				
Corporate Services	220	250	-12%	60
Sustainable Resources	1,476	1,673	-12%	91
Energy and Corporate Policy	100	108	-7%	76
Oil and Gas and Mineral Resources	3,307	3,433	-4%	4,457
Total Capital Vote 53	5,103	5,464	-7%	4,684
Capital Recoveries	1,416	1,512	-6%	1,004
Categories				
Tangible Capital Assets	40	195	-79%	47
Other Capital Projects and Purchases	4,005	3,733	7%	3,541
Transfer Payments	1,058	1,536	-31%	1,096
Total Categories	5,103	5,464	-7%	4,684

Note:

Restated 2003-04 Forecast and 2002-03 Actual to be consistent with the 2004-05 Estimate presentation.

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CHANGES IN TANGIBLE CAPITAL ASSETS AND AMORTIZATION (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	2002-03 ACTUAL
Beginning of the Year			
Cost of Tangible Capital Assets in service	465	256	228
Accumulated amortization	(89)	(131)	(110)
Net book value	376	125	118
Changes during the Year			
Cost of Tangible Capital Assets			
Capital expenditures	15	170	28
Devolution	0	164	0
Disposals	0	(125)	0
Accumulated amortization			
Amortization Expense	(86)	(60)	(21)
Disposals	0	102	0
Work-in-progress			
Capital expenditures	25	25	19
End of the Year			
Cost of Tangible Capital Assets in service	480	465	256
Accumulated amortization	(175)	(89)	(131)
Net book value	305	376	125
Work-in-progress	139	114	89
Total Net Book Value and Work-in-Progress	444	490	214
Deferred Capital Contributions			
Balance, beginning of the year	(146)	(15)	0
Additions	0	(164)	(15)
Amortization of deferred capital contributions	33	33	0
Balance, end of year	(113)	(146)	(15)

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CORPORATE SERVICES

PROGRAM OBJECTIVE

- To provide leadership and decision support services to Energy, Mines and Resources' branches in communications, finance, information technology, human resources and library/research services.

CAPITAL EXPENDITURES (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	% CHANGE	2002-03 ACTUAL
Office Furniture, Equipment, Systems and Space	150	250	-40%	60
Operating Equipment	70	0	100%	0
Total Corporate Services	220	250	-12%	60

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SUSTAINABLE RESOURCES

PROGRAM OBJECTIVES

Lands:

- To ensure land is available for Yukoners and Yukon development projects.
- To implement an integrated application and review process for spot application programs and recreational land.
- To integrate land management and administration processes to reflect federal and mirror Yukon government lands legislation.

Forestry:

- To continue development of a forestry policy framework which reflects an integrated resource management approach in preparation for a Yukon Forest Act.
- To manage the Yukon's forest resources in an effective, integrated and responsible manner.
- To issue forestry authorities, approvals and permits in a responsible, timely and consistent manner.
- To ensure land is available for Yukon forest projects and to provide access to harvestable wood.

Agriculture:

- To promote an agricultural industry that provides economic benefits to the Yukon in an environmentally sustainable fashion, while reflecting broad social values.
- To enhance productivity, profitability and sustainability of the industry.
- To implement the Agriculture Policy Framework (APF) Agreement.
- To streamline the agriculture land application process.

CAPITAL EXPENDITURES (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	% CHANGE	2002-03 ACTUAL
Lands				
Legal Surveys	30	56	-46%	40
Rehabilitation of Land	40	0	100%	9
Forestry				
Forest Inventory	806	767	5%	0
Forest Engineering	500	500	0%	0
Prior Years' Projects	0	250	-100%	0
Agriculture				
Agricultural Land Development	100	100	0%	42
Total Sustainable Resources	1,476	1,673	-12%	91

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ENERGY AND CORPORATE POLICY

PROGRAM OBJECTIVES

- To develop policies, strategies, programs and legislative instruments to support resource management and development, in keeping with government-wide priorities.
- To provide policy and program advice to the government on energy matters, including developing a comprehensive Yukon Energy Framework Strategy and a Climate Change Strategy.
- To provide resource sector input into land-based initiatives including land claims agreements, regional land use planning, protected areas and implementation of the Yukon Environmental and Socio-economic Assessment Act (YESAA).
- To increase the public's awareness and understanding of departmental priorities, programs, policies and initiatives.

CAPITAL EXPENDITURES (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	% CHANGE	2002-03 ACTUAL
Energy and Corporate Policy				
Resource Infrastructure Development	100	100	0%	60
Prior Years' Projects	0	8	-100%	16
Total Energy and Corporate Policy	100	108	-7%	76

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OIL AND GAS AND MINERAL RESOURCES

PROGRAM OBJECTIVES

Assessment and Abandoned Mines:

- To direct and oversee the orderly planning and abandonment of Type II mine sites per the Devolution Transfer Agreement (DTA) and enter into suitable funding arrangements with the federal government for agreed-upon work.
- To facilitate First Nation participation in opportunities for site management and closure.

Oil and Gas Development and Pipeline:

- Facilitate investment in and development of Yukon's oil and gas resources in a manner that increases employment, training and business opportunities for Yukon people.
- Promote Yukon's oil and gas resources, maximize economic opportunities and secure local benefits from Yukon oil and gas development and pipeline projects, including the Alaska Highway and Mackenzie Valley projects.
- Ensure access to a Mackenzie Valley transmission pipeline for north central Yukon natural gas.
- Develop sector policy and strategies for oil and gas development and pipeline projects including a clear and timely regulatory process for the pipeline project.
- To develop a shared offshore oil and gas regulatory regime with Canada.

Oil and Gas Management:

- To manage Yukon's oil and gas resources and regulate activities.
- To implement government-to-government arrangements vis-à-vis disposition rights.

Minerals Development:

- To facilitate sustainable exploration, development and mining of Yukon's mineral resources through education, promotion and an effective regulatory regime.
- To stimulate investment in mineral exploration and development by providing incentives to prospectors and exploration companies.
- To generate and compile scientific and technical information about the geology and mineral deposits of Yukon, and distribute this information to clients and stakeholders.
- To ensure mineral potential assessments are completed and used in planning and regulatory processes prior to land being withdrawn from disposition for mineral development.
- To support and facilitate development and implementation of a new Yukon Placer Authorization.

Minerals Management:

- To build a competitive regulatory mineral management regime.
- To assist with Type II mines interim care and maintenance responsibilities and provide expertise to assist with planning for future site management and abandonment.

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OIL AND GAS AND MINERAL RESOURCES (Cont'd)

CAPITAL EXPENDITURES (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	% CHANGE	2002-03 ACTUAL
Oil and Gas Development and Pipeline				
Alaska Highway Pipeline Analysis	700	654	7%	766
Prior Years' Projects	0	250	-100%	0
Oil and Gas Management				
Oil and Gas Information Systems	190	160	19%	147
Resource Assessments - Oil and Gas	125	100	25%	202
Minerals Development				
Geological Surveys	835	891	-6%	1,725
Yukon Mining Incentives Program (YMIP)	950	847	12%	814
Resource Assessments - Minerals	482	506	-5%	520
Mining Environment Research Group (MERG)	25	25	0%	25
Prior Years' Projects	0	0	0%	258
Total Oil and Gas and Mineral Resources	3,307	3,433	-4%	4,457

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RECOVERIES (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	% CHANGE	2002-03 ACTUAL
Sustainable Resources				
Land				
Legal Surveys	10	46	-78%	38
Forestry				
Forest Inventory	806	767	5%	0
Forest Engineering	500	500	0%	0
Agriculture				
Agricultural Land Development	100	100	0%	0
Oil and Gas and Mineral Resources				
Prior Years' Recoveries	0	99	-100%	966
TOTAL RECOVERIES	1,416	1,512	-6%	1,004

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TRANSFER PAYMENTS (\$000'S)	2004-05 ESTIMATE	2003-04 FORECAST	% CHANGE	2002-03 ACTUAL
CONTRIBUTIONS				
Sustainable Resources				
Forestry				
Prior Years' Contributions	0	118	-100%	0
Oil and Gas and Mineral Resources				
Oil and Gas Development and Pipeline				
Alaska Highway Pipeline Analysis	55	235	-77%	79
Prior Years' Contributions	0	120	-100%	0
Oil and Gas Management				
Resource Assessments - Oil and Gas	50	85	-41%	180
Minerals Development				
Geological Surveys	100	0	100%	115
Yukon Mining Incentives Program (YMIP)	828	723	15%	697
Mining Environment Research Group (MERG)	25	25	0%	25
Prior Years' Contributions	0	230	-100%	0
TOTAL TRANSFER PAYMENTS	1,058	1,536	-31%	1,096

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