

Chapter 4

Section 4.07

Ministry of Natural Resources and Forestry

Provincial Parks

Follow-up to VFM Section 3.07, 2013 Annual Report

RECOMMENDATION STATUS OVERVIEW

	# of Actions Recommended	Status of Actions Recommended			
		Fully Implemented	In Process of Being Implemented	Little or No Progress	Will Not Be Implemented
Recommendation 1	2		2		
Recommendation 2	1		1		
Recommendation 3	1		1		
Recommendation 4	1		1		
Recommendation 5	1		1		
Recommendation 6	1		1		
Recommendation 7	1			1	
Recommendation 8	1		1		
Total	9	0	8	1	0
%	100	0	89	11	0

Background

The Ministry of Natural Resources and Forestry (Ministry) is responsible for establishing, operating and managing provincial parks in accordance with the *Provincial Parks and Conservation Reserves Act, 2006* (Act). The Ministry's mandate under the Act is to protect the province's natural and cultural heritage, facilitate scientific research, and provide opportunities for Ontarians to increase their knowledge of the province's natural and cultural

heritage and to engage in ecologically sustainable recreation.

About one-third of Ontario's 339 provincial parks are operating parks that provided recreational opportunities such as day-use areas and overnight camping to approximately 8.5 million visitors in 2014/15. Non-operating parks, while still accessible to the public, have no staff on site and offer only limited facilities.

With the exception of about 20 parks that are open year-round, most operating parks generally operate from May to October. The Ministry charges

fees for the use of provincial parks or any facilities offered within the parks to help fund park operating expenses. Fees are not charged in most non-operating parks. Historically, revenues generated by park fees have covered over 80% of the parks' operating costs, with the province making up the difference. The province also funds expenditures related to park infrastructure and those related to the planning and protection of the park system (such as research and monitoring activities).

At the time of our audit in 2013, we noted that the growth of the provincial park system and the new requirements prescribed in the Act had, given the Ministry's resources, challenged its ability to meet its legislated mandate. We also noted that the Ministry was at risk of falling further behind in meeting its mandate for the following reasons:

- The Ministry's own survey of park planners, ecologists, biologists and park superintendents found that it lacked baseline scientific data on the provincial park system, such as information about native biological and non-biological components and processes in the parks, and the pressures that affect them. Without such information, the Ministry cannot determine whether ecological integrity within the park system is being maintained and take action to restore it where necessary, as required in the Act.
- Limited resources had left significant portions of the operating parks and the 220 non-operating parks, which at the time covered about half the area of the provincial park system, with little or no enforcement presence. During our audit, park staff advised us that violations of the Act, such as illegal hunting, boundary encroachments by adjacent landowners, waste dumping, and the cutting and removal of trees and plants, were regularly taking place in these areas of the provincial park system.
- Visits to provincial parks have increased by over 40% over the last 20 years, but the Ministry's minimum operating standards covering

aspects of park operations, such as waste management, sanitation, and maintenance of facilities and grounds, had not been updated at the time of our audit. The Ministry's survey of day visitors and overnight campers indicated that general maintenance and amenities were at the top of the list of areas that could be improved.

- In 2013, we estimated that assets listed as being in "poor" or "defective" condition, such as buildings, roads, bridges, drinking-water systems and septic systems, required over \$590 million to replace. This backlog of required capital asset expenditures reflected an increase of \$170 million since our previous audit of provincial parks in 2002. We noted that, without additional investments, the backlog would continue to grow.
- Results of the Ministry's visitor survey indicated that Natural Heritage Education (NHE) programs in provincial parks were underutilized and generally failed to meet visitors' expectations, with only 8% of day visitors and 18% of overnight campers participating in NHE programs. In addition, the Ministry's strategic review of its NHE programs found that there had been very little change in the types of interpretive programs offered over the last few decades, and many parks with NHE programs either had outdated NHE plans or no NHE plan at all for the delivery of interpretive programs.

With respect to revenues generated by provincial parks, we noted the following:

- Generally, parks in southern and central Ontario operated at capacity and attracted significantly more visitors than parks in other regions. However, the Ministry had not fully explored the possibility of further increasing fees in more popular parks in the south and lowering fees in less visited parks, mainly in the north, to increase visits and improve cost recovery.

- Lease payments for the nearly 600 private cottage properties held under lease in Algonquin and Rondeau Provincial Parks were significantly below fair market value and, at the time, should have generated approximately \$6.7 million more in revenue than the Ministry received. In addition, the fees charged by the Ministry for providing services such as garbage collection and snow removal were also well below the actual costs incurred by the Ministry.

We also noted that, although the Ministry's first State of Ontario's Protected Areas Report in 2011 met the minimum reporting requirements under the Act, similar reports in other jurisdictions reported more comprehensively on aspects of their park system. For example, other jurisdictions reported on the results of actions taken to meet the objectives in park management plans; relationships with Aboriginal communities in planning and managing parks; and the condition of capital assets in the parks. Furthermore, at the time of our audit the Ministry had established performance measures for only two of the four objectives prescribed in the Act. The Ministry also lacked benchmarks to evaluate its performance in maintaining ecological integrity and monitoring ecological change in the parks.

We made a number of recommendations for improvement and received commitment from the Ministry that it would take action to address our recommendations.

Status of Actions Taken on Recommendations

According to information we received from the Ministry, progress has been made on many of the recommendations in our *2013 Annual Report*. For example, the Ministry has developed an action plan describing the activities required to gather scientific data in specific areas where it is needed, and a framework to ensure that monitoring programs

across the Ministry are aligned with the action plan. In addition, the Ministry is currently reviewing and updating its enforcement strategy and minimum operating standards for provincial parks to bring them in line with current visitation levels and address concerns identified in visitor surveys. Similarly, the Ministry has developed a new model for the delivery of Natural Heritage Education (NHE) programs in provincial parks, and is currently developing plans for all zones and parks that offer NHE programs. The Ministry is also investigating possible park fee pricing structures to increase visitation, revenues and cost-recovery. Since our audit in 2013, the Ministry has spent approximately \$48 million to correct infrastructure deficiencies that were identified, and has begun work to replace its asset management system.

With regard to the private cottage lot leases in Algonquin and Rondeau Provincial Parks, the Ministry is working through the required environmental assessments and public consultations to inform its decision on whether or not to renew the leases. Should the Ministry decide to renew the leases in 2017, the results of the environmental assessments and public consultations, as well as the economic and environmental studies commissioned by the Ministry, will be considered in developing the new tenure agreements. Such agreements will include terms and conditions to minimize the environmental impact of the cottages, and ensure that lease payments reflect the properties' fair market value and that the Ministry recovers its cost for services provided.

One recommendation will require more time to be fully addressed, specifically with regards to tracking and reporting on the Ministry's performance against its legislated mandate. More work is needed to establish appropriate benchmarks and collect the necessary information to enable the Ministry to assess its performance against all four legislated objectives for the effective management of Ontario's parks.

The status of actions taken on each of our recommendation is described in the following sections.

Research and Monitoring

Recommendation 1

To help ensure that the maintenance and restoration (when necessary) of ecological integrity is the first priority in the planning and management of Ontario's provincial park system, as established by the Provincial Parks and Conservation Reserves Act, 2006, the Ministry of Natural Resources (Ministry) should:

- *develop an overall strategy that includes partnering with the outside research community to ensure that sufficient baseline scientific data exists on native biological and nonbiological components and processes within the province's park system, and the pressures that affect these;*

Status: In the process of being implemented by 2016.

Details

In 2015, the Ministry developed the Integrated Science Action Plan, which establishes priorities to ensure that activities across the Ministry generate sufficient and appropriate scientific information to enable the Ministry to fulfil its mandate. The Action Plan identifies nine areas where there is an immediate and ongoing need for scientific data (referred to as “need areas”). Some of the need areas include, for example, the state of the province's natural resources, the relationships between the various components of ecosystems, and threats to the province's natural resources. These need areas form the basis for the Ministry's short-term and long-term priorities beginning in the 2015/16 fiscal year.

The Action Plan describes the Ministry's long-term objectives in each of the nine need areas, including inventorying, researching, monitoring and other activities necessary to meet each objective. For example, activities related to provincial parks include taking inventory of the occurrence of

rare species and habitats, conducting research to understand the role of wetlands in watersheds, and developing indicators and benchmarks to assess the effects of pressures from nearby human settlement. The long-term priorities will be reviewed every five years, or when there are changes to the Ministry's strategic directions and organizational structure.

In addition to the periodic review of long-term priorities, short-term priorities will be established annually based on current ministry initiatives. For example, the Ministry has identified the following as some of the immediate priorities for the 2015/16 fiscal year: implementing a pilot bear monitoring program, designing methods for moose monitoring, and continuing research on the ecology and distribution of species-at-risk. A report on the results of activities and investments related to these immediate priorities is expected by the first quarter of fiscal year 2016/17.

To support the Action Plan, the Ministry is developing a new research agreement with select Ontario universities, through which it plans to contract with academic researchers to conduct research on topics identified by the Ministry. Research topics will be determined by the priorities identified in the Action Plan and the availability of resources within the Ministry for such research to be conducted. The Ministry expects to have the new research agreement finalized in 2016.

- *develop a plan to adequately monitor changes in ecosystems within the province's parks, conduct ecological restoration when the need to do so has been determined, and assess the results of such restoration.*

Status: In the process of being implemented by March 2016.

Details

In 2015, the Ministry developed the Integrated Monitoring Framework (Framework) to ensure that monitoring programs across the Ministry are aligned with the priorities and objectives outlined

in the Action Plan. The Framework is intended to better integrate monitoring programs across the Ministry, provide guidance for data collection and information management, and establish roles and responsibilities for the delivery of the various monitoring programs. The Framework is supported by individual frameworks that guide terrestrial- and aquatic-based monitoring activities in areas such as forests, wildlife, inland lakes and the Great Lakes.

To help inform the development of the Framework, the Ministry conducted a review of the existing monitoring programs at the local, regional and provincial levels to identify candidates for redesign, consolidation or co-ordination toward improving their effectiveness and efficiency. For example, monitoring programs that have experienced budget erosion, and therefore may no longer be effective, were identified for redesign. The review also identified programs that may have met their intended objectives so that resources can be redirected to new monitoring programs that may need to be developed.

Phased implementation of the updated monitoring programs is expected to begin in spring 2016.

Enforcement

Recommendation 2

To help ensure that provincial park resources are adequately protected, the Ministry of Natural Resources should update its review of its risk-based enforcement strategy for parks and examine cost-effective strategies for addressing the identified risks.

Status: In the process of being implemented by 2016.

Details

During our 2013 audit, we noted that the Ministry had been unable to execute its risk-based enforcement strategy due to lack of enforcement resources to address the identified risks. For example, we found that enforcement was focused mainly on areas known to have heavy human traffic, which left significant portions of the operating parks and some areas within the 220 non-operating parks subject to little or no enforcement presence.

During the 2015 operating season, the Ministry conducted a field test of its monitoring checklist in 10 of the 20 non-operating parks in the Southeast Zone. Monitoring was conducted up to five times during the operating season with the objectives of assessing the condition of park infrastructure (such as trails, fencing and signage) and identifying signs of non-compliance with the Act. We reviewed the completed checklists and noted that some of the concerns raised included damage to and deterioration of park infrastructure as well as evidence of hunting activity, tree-cutting and ATV traffic.

Using the results of the field test, the Ministry is reviewing its enforcement strategy for non-operating parks to identify risks to park assets and areas of improvement. The review is expected to be completed in December 2015, after which the Ministry will develop options to address risks, gaps or improvement opportunities by March 2016. The Ministry aims to implement the approved changes to its enforcement strategy for non-operating parks in the 2016 operating season.

The review of enforcement activities and standards for operating parks is being conducted as part of the review of the minimum operating standards (described in the section **Operating Standards**), which is also expected to be completed in December 2015. Changes to the Ministry's enforcement activities in operating parks will be implemented in the 2016 operating season.

Park Fees

Recommendation 3

To help increase overall visits to provincial parks, draw more visitors to underused parks and increase its revenue from the provincial park system, the Ministry of Natural Resources should assess the impact on visits and revenues that would result from reducing fees in the less visited parks and increasing fees in the more popular parks that are currently operating at or near capacity.

Status: In the process of being implemented by September 2016.

Details

The Ministry's current park fee pricing structure is based on the facilities and services offered in each park. For example, parks with the least developed infrastructure have the lowest fees, while those with showers, flush toilets and educational programs have the highest fees.

The Ministry is reviewing park fees across Canada and the United States to compile information regarding pricing structures in provincial and state parks. The jurisdictional review seeks to identify approaches to increase revenue through the use of premium camp site pricing, peak season pricing and special event fees (such as for filming, concerts and festivals). The Ministry is also reviewing cancellation policies in other jurisdictions to determine whether there is an opportunity to increase revenues by making changes to their own cancellation policy.

Concurrent with the jurisdictional review, the Ministry is analyzing the impact on revenues of camp site price changes if it implements peak season pricing. In addition, the Ministry is also reviewing the current monthly occupancy rates to identify opportunities to reduce rates based on occupancy. The Ministry expects to complete its jurisdictional review and analysis of revenue impacts of various camping fee models by April 2016. Recommendations to the Treasury Board for future park pricing structure are expected to be finalized by September 2016. However, due to the time required to obtain the necessary approvals and make changes to the Ministry's reservation system, any park fee changes are not expected to be implemented until the 2018 operating season.

Operating Standards

Recommendation 4

In light of the significant increase in visits to provincial parks since the Ministry of Natural Resources (Ministry) last set minimum operating standards for, among other things, security and enforcement, waste management, sanitation, and cleaning and mainten-

ance of buildings, facilities and grounds, the Ministry should review and update its standards. In addition, the Ministry should continue to conduct visitor surveys and monitor the results to ensure that visitor expectations are met.

Status: In the process of being implemented by fiscal year 2016/17.

Details

In April 2014, the Ministry conducted a preliminary assessment of its minimum operating standards, and determined that a comprehensive review was required to bring the operating standards in line with the Ministry's current business model. The comprehensive review began in June 2015 with the objectives of updating the operating standards and developing the tools necessary to implement them.

Among the tools being developed is a new framework to provide high-level guidance to park staff for implementing and meeting the standards. In addition, a new template for level-of-service standards is being designed so that park staff can develop park-specific service plans that address local conditions. Finally, a new audit form is being developed to facilitate monitoring and evaluation of the park service plans. The new audit form will be used for the operational audits that will be conducted at least once every three to five years for each provincial park to ensure that park operations are in accordance with the operating standards. The new tools and updated standards are expected to be completed in December 2015 and implemented in fiscal year 2016/17.

With regard to the visitor surveys, the Ministry conducted a visitor survey during the 2015 operating season—the first since 2011. The final report is expected to be completed in March 2016. Results of the 2011 survey were used to inform the Ministry's decisions on a number of initiatives to enhance visitors' in-park experiences, such as new alternative accommodations in provincial parks and the design of various programs such as Learn to Camp, Learn to Fish and Healthy Parks, Healthy People. The Ministry plans to conduct visitor surveys every

three to five years, and use the results to inform its decisions on future initiatives. Survey results for each park are also made available to zone and park staff to inform park management decisions.

Capital Asset Management

Recommendation 5

To ensure that park infrastructure is in a satisfactory state, the Ministry of Natural Resources (Ministry) should take action to correct infrastructure deficiencies already identified. The Ministry should also ensure that its asset management system contains accurate, complete and up-to-date information on the condition and value of the parks' capital assets.

Status: In the process of being implemented by fiscal year 2017/18.

Details

Since our audit in 2013, the Ministry has spent approximately \$30 million on capital projects such as construction of comfort stations and sewage systems, upgrades to pedestrian bridges and roads, and six drinking-water-system-related projects that were completed in 2014/15. In addition, the Ministry has spent approximately \$18 million on capital maintenance projects in the same period.

In order to better understand the state of capital assets in provincial parks, the Ministry has developed multi-year lists that prioritize required capital projects in all provincial parks. Over a period of five years beginning in fiscal 2015/16, the Ministry has identified high-priority projects estimated at \$127 million to construct, replace or upgrade comfort stations, park buildings, and pedestrian and trail bridges. The Ministry has also identified \$40 million in high-priority capital maintenance projects for the same period. The final list of capital projects to be completed in a given fiscal year will be determined by the actual allocation the Ministry receives for that particular fiscal year.

With respect to its asset management system, the Ministry acknowledges that its current system does not meet its needs. A dedicated lead has been

assigned to acquire a new asset inventory system and assess the condition of park assets. The new asset management system, which the Ministry expects to be implemented in fiscal year 2017/18, will replace all the systems currently being used to maintain information about park assets. Verification of the accuracy of data in the existing systems will be conducted when the Ministry implements the new asset management system. In the interim, the Ministry will continue to rely on park staff to update the asset inventory systems to reflect new or discarded assets. As we noted during our 2013 audit, park staff did not verify the existence and condition of assets, nor did they regularly update the system as required by Ministry policies.

Natural Heritage Education

Recommendation 6

To ensure that Natural Heritage Education (NHE) programs meet visitor expectations and program objectives, the Ministry of Natural Resources (Ministry) should develop or update NHE plans in all zones and parks that offer NHE programs. The Ministry should ensure that the plans address the concerns that were noted in its 2011 strategic review of NHE programs.

Status: In the process of being implemented by the end of 2017.

Details

At the time of our 2013 audit, four of the six zones did not have an NHE plan, and the plan at one of the remaining two zones had not been reviewed in 20 years. In addition, of the 43 operating parks with interpretive NHE programs, only about half had an updated NHE operating plan in place.

The Ministry has since developed a new model for the delivery of NHE programs in provincial parks, which was piloted in 16 parks during the 2015 operating season. The new model, which will be formally launched in June 2016, makes use of various media including interactive websites to enhance in-park experiences, staff-led programs,

self-use activity books and interpretive products (such as panels and trails). Under the new model, a number of parks will offer Education Programs and the remaining parks will offer Discovery Programs.

Education Programs are long-term, park-specific interpretive programs with co-ordinated projects that contribute to the maintenance of ecological integrity. Parks offering Education Programs will have a five-year Interpretive Plan that outlines specific program objectives, primary interpretive themes, visitor characteristics and interpretive services currently available at the park. Plans for two of the Education Program parks are currently being completed. The Ministry expects to have Interpretive Plans in place for all parks offering Education Programs by the end of 2017.

The Discovery Program, the details of which have not yet been finalized, is a more generic program that makes use of pre-packaged, corporate-developed interpretive products. Parks offering Discovery Programs will have an annual Education Plan that provides direction on staffing, minimum number and types of programs, permitted guest speakers and management of trails. A generic template is being completed for all Discovery Program parks by the end of 2016. The Ministry expects to implement the Discovery Program over two operating seasons beginning in 2016, with approximately 20 to 25 parks delivering the program. The remainder of the parks are expected to deliver the program in 2017.

The new model also calls for the development of a five-year provincial Strategic Direction with an annual action plan to guide the delivery of NHE programs across the province. In addition, each zone will be required to develop an Interpretive Plan, which provides direction for self-use interpretive products including trails, exhibits and signage. The provincial Strategic Direction, annual action plan and the individual zone plans have not yet been completed.

Reporting

Recommendation 7

The Ministry of Natural Resources (Ministry) should compare its State of Ontario's Protected Areas Report (SOPAR) with similar reports in other jurisdictions to identify and emulate best practices in reporting. The Ministry should also set appropriate benchmarks and collect the information it needs to assess its performance against all four legislated objectives for the effective management of Ontario's parks, and present the results in future reports.

Status: Little or no progress.

Details

At the time of our audit in 2013, the Ministry had not established any benchmarks to evaluate its success in maintaining and restoring ecological integrity in provincial parks, facilitating scientific research and providing opportunities to increase the public's knowledge of the province's natural and cultural heritage. Even for the two objectives for which the Ministry had established performance measures, we noted that some targets were either not realistic or the Ministry was not tracking its success against the targets.

At the time of our follow-up, the Ministry had not yet established any benchmarks related to ecological integrity, scientific research and its NHE program. We noted that the Ministry will be developing benchmarks related to ecological integrity as part of its Action Plan (described in the section **Research and Monitoring**), but has not identified this as an immediate priority, nor has it established a time frame in which it aims to develop such benchmarks. The Ministry also indicated that performance measures for its NHE program will be established as part of the provincial Strategic Direction that is currently being developed (described in the section **Natural Heritage Education**).

With regard to identifying best practices in reporting on its performance against its mandate, the Ministry is in the early planning stages of developing an approach to streamline the various

reports on the state of the province's natural resources (including the State of Protected Areas Report). As part of the planning, the Ministry is looking at other jurisdictions for examples of new, modern approaches to reporting on the state of the environment and natural resources. Best practices identified in the jurisdictional scan will inform the Ministry's approach in developing the next State of Ontario's Protected Areas Report in 2021.

Privately Leased Lands

Recommendation 8

The Ministry of Natural Resources (Ministry) should, once its study is complete, act to mitigate any negative environmental and economic impacts posed by private cottages in the two provincial parks identified. If the decision is made to renew these leases in 2017, the Ministry should ensure that the lease payments are increased to at least fair market value and that the fees charged for services to the cottagers recover the Ministry's cost of providing the services.

Status: In the process of being implemented by 2017.

Details

A final decision has not been made on whether or not the cottage lot leases in Algonquin and Rondeau Provincial Parks will be renewed when the current term expires in 2017. The decision, which is expected to be made in 2016, is subject to the results of, among others, the environmental assessment process and the Aboriginal and public consultations process. These processes must be completed separately for each park.

In late fiscal 2013/14, the Ministry invited comments from Aboriginal communities, stakeholders and the public on the potential environmental effects of extending cottage tenure in Algonquin Provincial Park. In April 2015, upon consideration of comments received, the Ministry informed all who had responded that there would be no significant net environmental impact associated with extending the cottage tenure, provided that appropriate conditions are imposed on cottagers

to mitigate it, where possible. The Ministry also indicated that an ecological monitoring plan would be developed to monitor the health of ecosystems in the vicinity of the cottages and to ensure that tenure conditions are being met. Details of the tenure conditions and the monitoring plan have not been finalized yet.

In June 2015, the Ministry announced that it was taking steps that may lead to extending the term of occupation for existing private cottage lots in Rondeau Provincial Park from December 2017 to December 2038. The public and stakeholder consultations related to the cottage tenure in Rondeau Provincial Park are expected to begin in December 2015.

The economic and environmental studies regarding the impact of the private cottages, which were commissioned by the Ministry at the time of our 2013 audit, were completed in March 2015. If a decision is made to extend the leases for another 21 years, the results of the above processes and the recommendations from economic and environmental studies will be considered in developing the new tenure agreements. The economic study of cottage lots in Algonquin Provincial Park recommended a fee structure based on their appraised land value, with service fees tied to the actual costs incurred by the Ministry. The study of ecological pressures associated with cottage lot leases in Rondeau Provincial Park indicated that private cottage lots and their associated recreational activities have put some species at increased risk, have degraded fragile ecosystems ranked as imperilled, and are a continuing source of invasive species that spread into the rest of the park. According to the Ministry, the new tenure agreements will include conditions to minimize the environmental impact of cottages. In addition, a new fee structure will be established so that lease payments reflect the properties' fair market value and the Ministry recovers its cost of providing services to the cottagers.