

**REGIONAL DISTRICT OF BULKLEY-NECHAKO****RDBN FORESTRY COMMITTEE
(Committee of the Whole)
Agenda**

Thursday, July 17, 2014

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	<u>Agenda – July 17, 2014</u>	Adopt
	<u>Supplementary Agenda</u>	Receive
	<u>MINUTES</u>	
2-9	Forestry Committee Meeting Minutes - April 17, 2014	Receive
	<u>REPORTS</u>	
10	Gail Chapman, Chief Administrative Officer RDBN/FLNRO/Industry Event	Direction
11-24	Gail Chapman, Chief Administrative Officer - OBAC Discussion Paper – Long Term Viability of Forest Sector	Direction
	<u>CORRESPONDENCE</u>	
25-28	Ministry of Forests, Lands and Natural Resource Operations – Review of Land-Use Plans within Lakes Timber Supply Area	Receive
	<u>NEW BUSINESS</u>	
	<u>ADJOURNMENT</u>	

REGIONAL DISTRICT OF BULKLEY-NECHAKO**FORESTRY COMMITTEE MEETING**
(Committee of the Whole)**Thursday, April 17, 2014**

PRESENT: Chairperson Gerry Thiessen

Directors Taylor Bachrach
Stephen Freeman
Carman Graf
Tom Greenaway
Bill Holmberg
Thomas Liversidge
Rob MacDougall
Bill Miller
Rob Newell
Jerry Petersen
Stoney Stoltenberg
Luke Strimbold – left at 3:00 p.m.

Directors Dwayne Lindstrom, Village of Fraser Lake
Absent Ralph Roy, Electoral Area "D" (Fraser Lake Rural)

Alternate Directors Kerry Jantz, Village of Fraser Lake
Ken Ponsford, Electoral Area "D" (Fraser Lake Rural)

Staff Gail Chapman, Chief Administrative Officer
Cheryl Anderson, Manager of Administrative Services
Hans Berndorff, Financial Administrator
Wendy Wainwright, Executive Assistant

Others Al Gorley, Triangle Resources Inc. (via teleconference) – 1:05 p.m. to 1:35 p.m.
Agathe Bernard, Stewardship Officer, Nadina, Burns Lake, Ministry of Forests, Lands and Natural Resource Operations – left at 2:50 p.m.
Rilla Middleton, Stewardship Forester, Nadina, Burns Lake, Ministry of Forests, Lands and Natural Resource Operations – left at 2:50 p.m.
Josh Pressey, District Manager, Nadina, Ministry of Forests, Lands and Natural Resource Operations – left at 2:50 p.m.

CALL TO ORDER Acting Chair Miller called the meeting to order at 1:05 p.m.**TRIANGLE RESOURCES INC. – Al Gorley RE: Tenure Issue – via teleconference**

Acting Chair Miller welcomed Al Gorley, Triangle Resources Inc.

Mr. Gorley spoke of the April 17, 2014 draft briefing note that Triangle Resources Inc. provided to the RDBN Forestry Committee Board of Directors titled "Area Based Forest Tenure."

Discussion took place regarding the Omineca Beetle Action Coalition (OBAC) requesting an extension of the May 30, 2014 deadline by government for the input process regarding area based forest tenure.

TRIANGLE RESOURCES INC. – AI Gorley RE: Tenure Issue – via teleconference (CONT'D)

Mr. Gorley noted that the purpose for the discussion regarding tenure is to address whether government should have the ability to develop area based tenures and under what circumstances they should be developed.

Concerns were brought forward regarding the lack of substantial evidence for area based tenures and whether area base tenure forest management is the appropriate direction for short and long term forest management. The importance of the resource being owned by the people and communities and not be transferrable outside the area or region was discussed. Further discussion took place regarding the need to profile the area and have accurate inventory numbers to make decisions regarding the fibre inventory. If the decision is made to move forward with area based tenures, stipulations need to be implemented to make them nontransferable or non-saleable. Mr. Gorley mentioned that consolidation of manufacturing has occurred and along with that there has been a consolidation of timber rights. Concerns were also discussed regarding forest fires in the region and the issues with area based tenures and the potential effects to industry and communities similar to the devastation of fibre experienced in 2010 during the Binta Fire.

Director Bachrach spoke of a blog post by Don Kayne, CEO, Canfor Corporation regarding Canfor's response to the possible conversion from volume-based forest licences to area based tree farm licences. Director MacDougall noted concerns regarding processing plants not being within the community in which the fibre is being removed thus there is a lack of social, economic and environmental objectives to the communities.

The Ministry of Forests, Lands and Natural Resource Operations document titled "The Morice TSA (Timber Supply Analysis) Public Discussion Paper" is providing the facts as seen by FLNRO and is not a recommendations document. FLNRO also expressed the importance of public input to assist in the decisions made by the Chief Forester.

There are a number of issues that need to be addressed prior to decisions being made regarding volume based and area based tenures.

The Mid Term Timber Supply Committee discussion regarding support for area based tenures was understood to indicate support for diversifying, more community forests, more wood lots and more wood land tenures. It was mentioned that the committee took a cautious approach in considering the long term conversion to area based tenures and they should be customized to what the local people and communities want.

A request has been made for the RDBN Forestry Committee to meet with Jim Snetsinger. The request has been received and a date and time will be provided to the Forestry Committee.

James O'Hanley, Deputy Commissioner, Resource Stewardship & Major Projects, BC Oil & Gas Commission and Trish Balcaen, Executive Project Director, Oil & Gas Sector Lead, BC Environmental Assessment Office will be attending meetings at the Regional District of Bulkley-Nechako on April 23 and 24, 2014 and a question to be asked is can the EAO impose conditions that would mandate utilizations of fibre on the pipeline companies.

Discussion regarding the value of wood left in the forest needs to continue amongst all resource sectors as development continues to occur in the region.

Acting Chair Miller thanked Mr. Gorely for attending the meeting.

Break at 1:35 p.m. Return to the Regional Board Meeting

Chair Thiessen Reconvened the Forestry Committee Meeting at 1:50 p.m.

**SUPPLEMENTARY
 AGENDA**

Moved by Director Stoltenberg
 Seconded by Director Bachrach

F.C.2014-3-1

"That the Forestry Committee Meeting Supplementary Agenda of April 17, 2014 be received."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

AGENDA

Moved by Director Greenaway
 Seconded by Director Stoltenberg

F.C.2014-3-2

"That the Forestry Committee Meeting Agenda of April 17, 2014 be received."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

MINUTES

Forestry Committee Meeting
 Minutes – March 20, 2014

Moved by Director MacDougall
 Seconded by Director Petersen

F.C.2014-3-3

"That the Forestry Committee Meeting Minutes of March 20, 2014 be received."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

DELEGATION

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Josh Pressey, District Manager, Nadina, Agathe Bernard, Stewardship Officer and Rilla Middleton, Stewardship Forester RE: Morice TSA Timber Supply Review

Chair Thiessen welcomed Josh Pressey, District Manager and Agathe Bernard, Stewardship Officer Ministry of Forests, Lands and Natural Resource Operations.

Ms. Bernard mentioned that Rilla Middleton, Stewardship Forester, MFLNRO was also in attendance to assist with any questions. Ms. Bernard provided a PowerPoint presentation.

Morice Timber Supply Area - Timber Supply Review Process

Current Allowable Annual Cut (AAC)

- 2,165,000 cubic metres per year
 - Includes a non-pine species partition equating 550,000 cubic metres per year
- Balance between harvesting susceptible pine in the short-term and maintaining sufficient non-pine volume in the mid-term
- AAC has been in effect since February 1, 2008

DELEGATION (CONT'D)

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Josh Pressey, District Manager, Nadina, Agathe Bernard, Stewardship Officer and Rilla Middleton, Stewardship Forester RE: Morice TSA Timber Supply Review (Cont'd)

Timber Supply Review Process

- By law, the chief forester must determine an allowable annual cut – AAC – at least once every 10 years:
 - o Currently in the process of:
 - Analysis Report and Public Discussion Paper;
 - 60-day review and comment and consultation period.

Timber Harvesting Land Base (THLB)

- Portion of the forested land base where timber harvesting is legal and economically feasible:
 - o Excludes woodlots and community forests;
 - o Accounts for all forest values.
- Currently 648,956 hectares (43% of total area);
- THLB (Timber Harvesting Land Base) – 43%;
- Not Managed by FLNRO – 5%;
- Non – Productive 33%;
- Parks 4%;
- Marginal Stands 7%;
- Inoperable Areas – 4%;
- Wildlife, Riparian, Scenic Area – 4%.

Timber Supply Base Case

- **Annual harvest (000's m³/year)**
 - o 2 165 000 m³/year; 0-5 years from 2014 (assuming that for the first 5 years, about two-thirds of the total harvest volume is from dead pine-leading stands);
 - o 1 600 000 m³/year – 5-60 years from 2014;
 - o 1 980 000 m³/year – 60-100 years from 2014.
- The base case is simply a timber supply forecast that was chosen to best represent the best compromise between maintaining the current allowable annual cut (AAC) and maximizing the mid-term harvest level. This forecast is based on land base inventory, growth and yield and management practices data.
- The base case forecast forms the basis for comparison when assessing the effect of uncertainty on timber supply. The base case is not an AAC recommendation.

Discussion took place regarding assumptions in making projections and certain information needed for projections. The current overharvesting and the impacts to the projection is a concern. Past behavior of contractors and licensees is taken into consideration by the Chief Forester when making a decision regarding the AAC (Annual Allowable Cut).

Key sensitivity Analyses

- Sensitivity analyses examine the effect of uncertainty in data and assumptions on timber supply.
- **Sensitivity analyses**
 - o Changing estimates of shelf-life;
 - o Including some marginally economic stands.

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DELEGATION (CONT'D)

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Josh Pressey, District Manager, Nadina, Agathe Bernard, Stewardship Officer and Rilla Middleton, Stewardship Forester RE: Morice TSA Timber Supply Review (Cont'd)

Conclusions

- After the first five years in the base case, harvest level is projected to decrease to 1.6 million m³/year for 55 years;
- Short – and mid-term harvest levels depend on:
 - o Continued harvest of dead pine-leading stands;
 - o Economic viability of harvesting stands with less than 250 m³/ha and balsam-leading stands;
 - o Forest health in young stands;
- An AAC determination considers biophysical, social, and economic information. This includes input from the public and First Nations;
- The chief forester's determination is an independent professional judgment.

Director Miller spoke of the marginally economic stands and that the value of the log determines the direction of the future. All components are connected together and play a role and need to be considered. Communities need to know what the future of the forests and decisions being made by the Ministry of Forests, Lands and Natural Resource Operations means to them. Director Bachrach mentioned that there is a need to identify the question being asked of the public into the input of decisions being made. Ms. Bernard noted that all questions being asked and comments made regarding the Morice TSA Timber Supply Review are important and welcomed by FLNRO Staff.

Chair Thiessen mentioned concerns regarding input being made by people that reside outside the region in which decisions are being made. There also concerns regarding the level of transparency in information provided to local government and the public. This is an extremely sensitive and emotional issue for a lot of communities and the lack of transparency and limited information being provided provides a mistrustful atmosphere.

Discussion took place regarding economic factors that impact the forest industry and the nature of business to control and drive the forest industry.

Concerns were expressed as to the very short timeline for public discussion on area-based forest tenures. Appreciation was expressed to FLNRO staff for their efforts and continued dialogue with the communities and RDBN Forestry Committee. The dialogue that took place during the meeting in Burns Lake on March 5, 2014 with the RDBN, FLNRO, and industry was beneficial, and the importance of continuing that dialogue in order to find common ground will assist all communities in the region and all levels of the forest industry. Mr. Pressey mentioned that it would be a huge benefit to continue the meeting on a quarterly basis or yearly basis to continue the progress of dialogue. Industry also expressed that they found the meeting to be beneficial.

Discussion took place regarding the accuracy of inventory numbers when the Morice Timber Supply Review is complete. Ms. Bernard noted that it is impossible to be precise but there is overall confidence that the inventory is correct. An inventory audit was completed in the Morice Timber Supply Area in 2012 and it was found that the numbers from the inventory were very similar to the inventory that FLNRO had on record. Current inventory was first gathered approximately twenty years ago and has been maintained to date. A new analysis takes approximately three years to complete and has been started in the Lakes and Morice Timber Supply Areas. An AAC determination can be made prior to a new analysis and if there are any changes to be made the Chief Forester can make those recommendations. FLNRO staff will make recommendations to the Chief Forester prior to his decision on the AAC for the Morice Timber Supply Area.

DELEGATION (CONT'D)

MINISTRY OF FORESTS, LANDS AND NATURAL RESOURCE OPERATIONS – Josh Pressey, District Manager, Nadina Agathe Bernard, Stewardship Officer and Rilla Middleton, Stewardship Forester RE: Morice TSA Timber Supply Review (Cont'd)

Concerns were brought forward regarding overharvesting of timber. The partition for non-pine stands is 550 000 m³ per year. The average harvest on non-pine stands in the past six years is 793 000 m³ per year.

- 2008 – 464 000 m³ of non-pine stands were harvested;
- 2009 – 500 000 m³ of non-pine stands were harvested;
- 2010 - >754 000 m³ of non-pine stands were harvested;
- 2011 – 976 000 m³ of non-pine stands were harvested;
- 2012 – 976 000 m³ of non-pine stands were harvested;
- 2013 – 1 000 000 m³ of non-pine stands were harvested.

It is a ministerial decision as to the amount of fibre harvested.

Frustrations were expressed regarding the amount of non-pine/green wood leaving communities to be processed at other locations. This does not provide a benefit to the community from which the fibre is being removed.

Chair Thiessen thanked Mr. Pressey, Ms. Bernard, and Ms. Middleton and expressed the RDBN Forestry Committee's appreciation for their attendance.

REPORTS

RDBN "Draft" Discussion Moved by Director Stoltenberg
Points for Upcoming Meetings Seconded by Director Miller
With the Deputy O&G
Commissioner, April 24th RDBN
Office and Oil and Gas
Commissioner, May 7th, Fort St. John, B.C.

F.C.2014-3-4

"That the Forestry Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that it ratify the proposed "Discussion Points" and include "that during the Oil & Gas Commission permitting process, allowance for local government input be considered" to be brought forward as key discussion items between the Oil and Gas commission and the RDBN. Further, that the RDBN forward a copy of the issues to the Environmental Assessment Office and Ministry of Forests, Lands and Natural Resource Operations requesting future meetings to discuss the identified RDBN concerns."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

REPORTS (CONT'D)

"Draft" Briefing Note
Utilization of Timber from Gas
Line Clearing

Moved by Director Miller
Seconded by Director Stoltenberg

F.C.2014-3-5

"That the Forestry Committee recommend to the Regional District of Bulkley-Nechako Board of Directors that:
1. Approve the points listed in Appendix 1 of the Briefing note regarding utilization of timber from gas line clearing as "for discussion only" and forward a copy to the Oil and Gas Commission (OGC) in advance of the May meeting; and further,
2. that a copy of the discussion points be forwarded to the Environmental Assessment Office (EAO) and Ministry of Forests, Lands and Natural Resource Operations (MFLNRO) and request an opportunity for a discussion with them."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

CORRESPONDENCE

Correspondence

Moved by Director MacDougall
Seconded by Director Stoltenberg

F.C.2014-3-6

"That the Forestry Committee receive the following correspondence:

- Omineca Beetle Action Coalition – Phase 2 of the BC Timber Sales (BCTS) Review;
- Minister of Forests, Lands and Natural Resource Operations – Update on the Public Discussion on Area-Based Forest Tenures;
- Minister of Forests, Lands and Natural Resource Operations – Discussion Paper: Area-Based Forest Tenures;
- Forest Practices Board – Timber Harvesting in Beetle – Affected Areas;
- Forest Practices Board – Board Bulletin – Balancing Risk Across Resource Values in Forest Operations;
- Ministry of Forests, Lands and Natural Resource Operations – Climate News – Spring 2014;
- The Canadian Press – B.C. Timber Supply Facing Tenure System Revamp;
- The Globe and Mail – Timber Companies Can't See the Consequences for the Trees."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

SUPPLEMENTARY AGENDA

REPORT

"Draft" Briefing Note
-Area Based Forest Tenure

Moved by Director Stoltenberg
Seconded by Alternate Director Jantz

F.C.2014-3-7

"That the Forestry Committee recommend that the Regional District of Bulkley-Nechako identify its interests and recommendations relative to the Government's proposal for Area Based Forest Tenure and provide written input directly and/or through OBAC (Omineca Beetle Action Coalition) by May 30, 2014."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

Discussion took place regarding the time line in which to provide a response and the discussion with Jim Snetsinger when a meeting is granted regarding Area Based Forest Tenure. Some interests to be identified are:

1. Timeline of Consultation;
2. Not a consensus or common support for the change to Tree Farm License's (TFL's);
3. Support for more diverse small scale creative forest tenure ideas;
4. Encourage inventory analysis;
5. A wide range of forestry issues and Area Based Forest Tenure may not be of highest priority.

CORRESPONDENCE

Correspondence

Moved by Director MacDougall
Seconded by Alternate Director Jantz

F.C.2014-3-8

"That the Forestry Committee receive the following correspondence:

- Ministry of Forests, Lands and Natural Resource Operations
– Timber Supply Analysis – Morice Timber Supply Area;
- Nadina Forest District – Forest Inventory Update;
- Canfor – Area Based Tenure Consultation Process."

(All/Directors/Majority)

CARRIED UNANIMOUSLY

ADJOURNMENT

Moved by Director Greenaway

F.C.2014-3-9

"That the meeting be adjourned at 3:05 p.m."

Gerry Thiessen, Chair

Wendy Wainwright, Executive Assistant



REGIONAL DISTRICT OF BULKLEY-NECHAKO
Forestry Committee
Memorandum

TO: Chair Thiessen and RDBN Forestry Committee Members

FROM: Gail Chapman, CAO

SUBJECT: RDBN/FLNRO/INDUSTRY Event

DATE: July 8, 2014

In June, the Regional Board considered an invitation to attend a Field Trip which had been proposed by Josh Pressey, District Manager, Ministry of Forests, Land & Natural Resource Operations, Nadina District. Rather than attend a Forestry Field Trip, the input received via email from Regional Board members is a preference for an October RDBN/Industry/MoF event.

Staff are presently seeking direction from the Forestry Committee regarding scheduling such an event in October, possibly October 22nd? Also, any topics the Forestry Committee would like to be included in the agenda for that day.

RECOMMENDATION: (All/Directors/Majority)

Direction at the Discretion of the RDBN Forestry Committee.



REGIONAL DISTRICT OF BULKLEY-NECHAKO
Forestry Committee
Memorandum

TO: Chair Thiessen and RDBN Forestry Committee Members

FROM: Gail Chapman, CAO

SUBJECT: OBAC Discussion Paper
- Long Term Viability of Forest Sector

DATE: July 8, 2014

On June 19th, 2014, the Regional Board received the OBAC Discussion Paper regarding "Actions Needed to Achieve the Region's Objectives for its Forest Sector".

The "draft" OBAC Discussion Paper is attached in order that discussion/comment/direction can be received by OBAC from the Regional Board by no later than **July 31st, 2014**.

RECOMMENDATION: (All/Directors/Majority)

Direction at the Discretion of the RDBN Forestry Committee.

OMINECA BEETLE ACTION COALITION

DISCUSSION PAPER

Actions needed to achieve the region's objectives for its forest sector.

2014

**Comments requested by
July 31, 2014**



DISCUSSION PAPER

Actions needed to achieve the region's objectives for its forest sector.

Prepared for the Omineca Beetle Action Coalition

3-2006, 3333 University Way

Prince George, BC , CANADA V2N 4Z9

June 15, 2014

Prepared by: TRIANGLE RESOURCES INCORPORATED

DISCUSSION PAPER JUNE 15, 2014

Invitation to comment

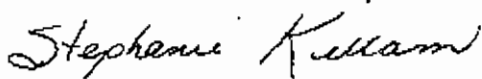
When it became obvious that the Mountain Pine Beetle epidemic would have significant and lasting consequences, the Premier asked us for advice on how to deal with the community impacts. We responded with a 15-year diversification plan backed by a series of sector-based strategies containing dozens of specific recommendations.

The Future Forest Products and Fibre Use Strategy was created with input from experts and average citizens across the region. It was supplemented with The Way Forward – A Proposal to Modernize BC’s Forest Policy. Recently we provided the province with advice on the forest inventory program, timber sales program; and its proposal for conversion to area-based tenure.

Now, as the timber harvest declines and we are seeing mills close, we feel it is time to be more proactive about advice on government forest policy. We want to be clear about what action is needed, and to work closely with the government and others to assure the long-term viability of the forest industry and our communities.

We encourage you to share your views by speaking with your local Coalition member or sending us an email to info@ominecacoalition.ca. Your comments on this discussion paper will help us prepare a proposal by early September.

Thank you for your interest and input.



Mayor Stephanie Killam, Chair
Omineca Beetle Action Coalition

On behalf of our members representing:

The Village of Burns Lake
The District of Fort St. James
The Village of Fraser Lake
The Village of Granisle
The District of Houston
The District of Mackenzie
The Village of McBride

The City of Prince George
The Town of Smithers
The Village of Telkwa
The Village of Valemount
The District of Vanderhoof
The Regional District of Bulkley - Nechako
The Regional District of Fraser – Fort George

Introduction

It's time to change the way we manage public forest resources. The current policy has evolved over time but no longer fully reflects the interests of forestry dependent communities.

The Omineca Region has some of the most forestry dependent communities in the province. While other industries play an important role in the economy, utilization of timber and other forest resources will be a mainstay of the region well into the future. For this to occur requires a healthy, productive forest and careful stewardship.

Traditionally forest policy in BC struck a balance between the interests of forest companies and communities. For example, harvesting rights were accompanied by milling requirements that kept jobs local. Many of those requirements were removed about a decade ago to help the industry be more globally competitive.

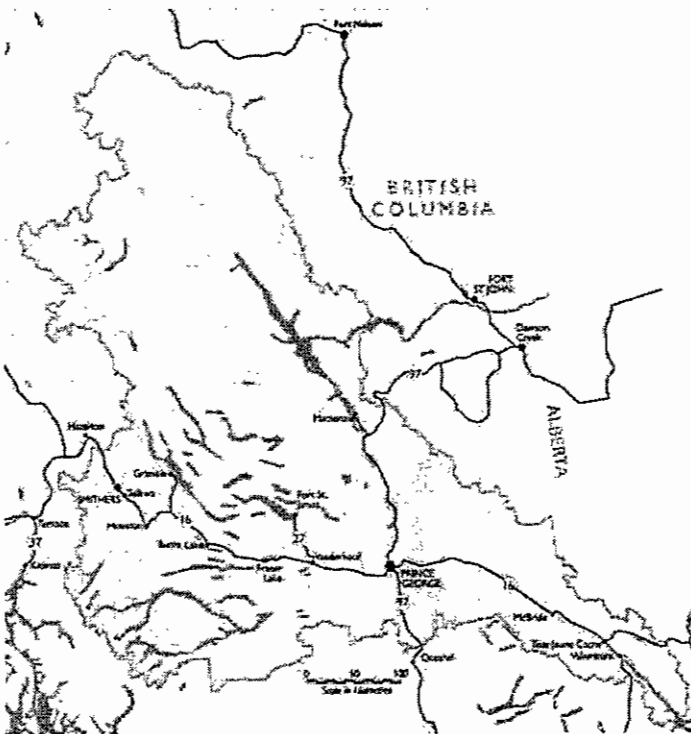
Until now local governments have left decisions about forestry primarily in the hands of the province and industry. However communities have realized that they need to define and assert local and regional interests in order to realize the on-going benefits they have been expecting. This has been brought into sharp focus by the pine beetle epidemic which led first to a dramatic increase in harvesting to salvage dead timber, followed by a rapid decline causing mills to close and putting communities at risk.



For some time there has been a trend toward consolidation of small, locally owned companies into a few large corporations with centralized and highly mechanized mills. And since timber rights are held mainly by the owners of these mills, they too are being consolidated. Concurrent to that trend, the government centralized staff and reduced its direct involvement in forestry operations. Local leaders are concerned that if allowed to continue unchecked, particularly in the face of reduced harvest levels, this puts the viability of several communities in question. Four of the primary concerns are:

- a) **The resources are at risk of being further depleted or degraded;**
- b) **Nearly all the remaining timber will go to a few large centralized mills leaving several communities with fewer jobs and economic benefits;**
- c) **In some communities a single private company could control nearly all of the public timber supply, either through its own licences or as the only buyer; and**
- d) **The public will have little say in the stewardship or distribution of benefits.**

This discussion paper proposes a number of actions that, if implemented, could improve future outcomes and lead to a better business climate and a more competitive resilient industry. That in turn can increase the likelihood of long-term forest and community health.

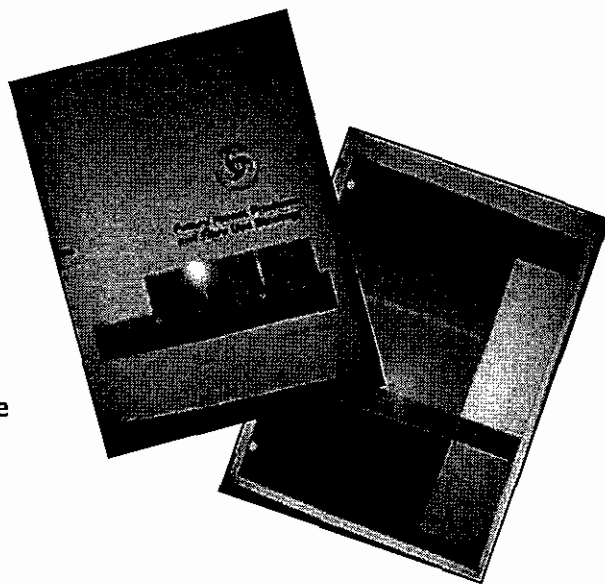


In its work the Coalition reflects the collective interests of member communities. While many of these interests may be shared with aboriginal peoples of the region, the Coalition recognizes and respects that First Nations have their own voice, and passes a unique role and rights defined by the Constitution and legal precedent.

Background

Through the Omineca Beetle Action Coalition, communities have already had a lot to say. As part of a broad, integrated response to the consequences of the beetle epidemic, the Future Forest Products and Fibre Use Strategy (2008) laid out a vision and the following six objectives:

1. **Increase community benefits from forest resources.**
2. **Diversify and strengthen the sector.**
3. **Form stronger working partnerships and communication among First Nations, local communities, government and the forest sector.**
4. **Increase the ability to train and retain the required work force.**
5. **Create a climate of ownership and pride in the region's forest resources.**
6. **Ensure the forest is managed to meet future needs and opportunities.**



To support these objectives the strategy contains a number of specific recommendations and the Coalition has worked with the provincial government, industry and others to encourage follow-through.

More recently the Coalition provided detailed input to the provincial government for improvements to the forest inventory program; contributed to the review of BC Timber Sales; and responded to the recent proposal on area-based tenure. It has also endorsed recommendations for growing the value-added wood sector. One of the challenges in doing this is the fact that forest policy is complex and the parts are interrelated – a change in one area has a ripple effect, with consequences in other areas that are sometimes unforeseen. Therefore the Coalition decided to proactively provide advice to the government on several other aspects of policy that are of concern to communities.

Proposed Action

The Coalition wishes to work with the Provincial Government and others on policy and program improvements that will transform our forest sector in a way that enhances the long-term viability of the industry and communities. The following proposed action will be refined, finalized and presented by early fall 2014.

STRENGTHEN RESOURCE SUSTAINABILITY

1. **Improve the Inventory** – Ensure decisions about allocation, protection and use of forest resources is based on reliable, up-to-date information by:
 - a. Providing adequate and consistent long-term funding for a core forest inventory and monitoring program (e.g., restore the annual investment to \$15 million).
 - b. Enhancing inventory information to identify non-conventional resource utilization opportunities.
 - a. Over time, improving the quality of inventories and monitoring for key wildlife species and other forest resources.

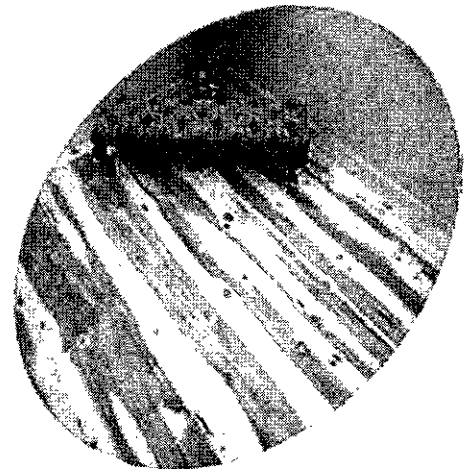


2. **Accelerate Reforestation in Beetle Killed Areas** – Establish and work toward a long-term timber supply objective (e.g., 40+ years) at the pre-beetle epidemic level by:
 - a. Surveying, classifying and reforesting beetle killed commercial timber stands within 10 years.
 - b. Encouraging a well distributed variety of tree species and ages.
 - c. Promoting intensive management of forest crops on suitable public and private lands.

3. **Bring in a Natural Resources Act** – Adopt overarching legislation that formally recognizes and allows for optimization of a variety of timber and non-timber forest resources by:
- Maintaining, monitoring and updating land use plans.
 - Requiring an integrated decision process.
 - Continually improving sustainable resource management and environmental protection practices across all sectors.

INCREASE SECTOR DIVERSITY

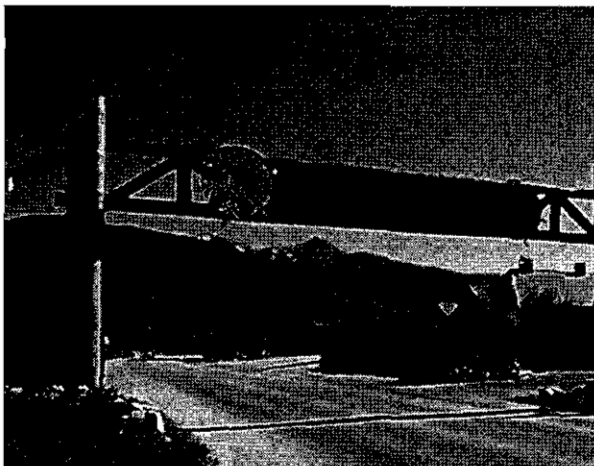
1. **Diversify and Update Tenure** – Establish a 20 year objective to diversify tenure by creating arrangements that encourage sustainable use of a variety of forest resources by:
- Immediately increasing the Community Forests and First Nations Woodland Licences to at least 10% of the allowable annual cut.
 - Gradually rebalancing the timber apportionment to a maximum of 50% in licences for major primary manufacturers and 50% or more for others.
 - Establishing tenure agreements and pricing options that encourage holders to innovate and invest in the forest and future forest products. This should include replaceable tenures for smaller companies willing to create local manufacturing jobs.
2. **Encourage Greater Product Diversity** – Immediately set a 20 year objective to diversify product manufacturing and begin implementation by:
- Setting and working toward a target for the percentage of the allowable cut that is manufactured into value-added products within the region.
 - Continuing and expanding research, training and financing initiatives that benefit the value-added and emerging products sector.
 - Developing or facilitating access to domestic and international markets for value-added and emerging products.



IMPROVE LOCAL BENEFITS

1. **Share Direct Revenue** – Consistent with the work of the Rural BC Project, adopt a revenue sharing formula that invests a portion of the province’s forest resource income¹ directly into strengthening industries and communities in the forests where the revenue is derived by:
 - a. Directing at least 1/3 to incremental improvements in resource management and productivity of the forest where the revenue is generated.
 - b. Directing at least 1/3 to incremental community and economic development programs at the local or sub-regional level. In the short term expenditures should be prioritized to ensure communities have the capacity to adapt to mill closures due to reduced harvest.
 - c. Establishing appropriate mechanisms for implementation of (a) and (b).

2. **Formally Recognize Indirect Economic Value** – Recognize both direct (conventional stumpage and other fees) and indirect (additional value to the public) by:
 - a. Encouraging stability for workers, the contracting sector and other local businesses through reasonable cut control requirements on all licences.
 - b. Designing and scheduling timber sales to support a wider range of local economic development objectives, including support for small and value-added businesses.
 - c. Incorporating (a) and (b) into licence agreements and administrative decisions.



¹ Forest resource income includes any direct fees, rents, stumpage, taxes, licensing costs or other revenue collected in return for the use or harvesting of forest resources, including but not limited to: timber, botanical forest products, wildlife, water, carbon sequestration, forage, and commercial recreation.

STRENGTHEN LOCAL PARTICIPATION

As noted earlier in this document, the Coalition recognizes the unique relationship between First Nations and provincial government. That relationship includes First Nations' participation in the forest sector based on legally established rights, treaties or other agreements. None of the proposals below are intended to infringe on that relationship.

1. Improve Decision Processes – Strengthen the role of communities and local governments in key decisions by:

- a. Requiring the Chief Forester to consider the goals and objectives formally expressed by communities in the determination of the allowable annual cut.
- b. Requiring the Minister to consider the goals and objectives formally expressed by communities in the decision to apportion timber rights.
- c. Requiring decision makers who set targets or allocate non-timber resources to consider the goals and objectives formally expressed by communities.
- d. Establishing a strong role for local communities in the setting of the legal objectives that guide resource practices.

2. Support Meaningful Public Involvement – Make information more useful and available by:

- a. Encouraging best-practices such as consolidated development plan maps and proactive solicitation of input.
- b. Providing periodic reports on the state of forest resources and implementation of plans at a local level. The reports should be verified by an independent body.
- c. Continuing to make inventory, monitoring, and other resource information publically available.

3. Improve Local Capacity – Support an effective transition to more locally driven stewardship by:

- a. Decentralizing certain provincial functions and staff to encourage closer working partnerships with local communities.
- b. Supporting capacity building that allows communities to take on a greater role, including the ability to identify and communicate common objectives and advice about forest resource management.



ENCOURAGE COMPETITIVENESS AND INNOVATION

While the Coalition believes that all the actions it proposes will encourage competitiveness and innovation through a transformed and revitalized sector, it also encourages continuation of activities focused specifically on the success of business.

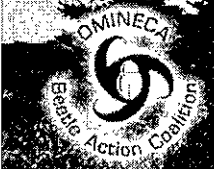
1. **Ensure a Positive Business Climate** – Policies and programs meet current and emerging business needs by:
 - a. Providing reasonable flexibility to adapt to business cycles and changing circumstances.
 - b. Identifying and removing obstacles to innovation.
 - c. Actively supporting training for emerging and future skills needs in sufficient numbers to encourage growth.

2. **Expand Markets** – continue and broaden joint government and industry initiatives to develop and access new markets by:
 - a. Diversifying and expanding the market for BC lumber in Asia.
 - b. Maintaining or enhancing policies and programs that promote the use of BC wood products for building (domestically and internationally).
 - c. Promoting value added wood and non-timber products, bioenergy, and other innovative uses of forest resources.



For more information about the Coalition's work, or to share your views, please feel free to speak with your local Coalition member; call our office at (250)960-6712; or visit our web site: <http://www.ominerecoalition.ca> .














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Planning • Strategy • Action

STRATEGIES/INITIATIVES

FUTURE FOREST PRODUCTS and FIBRE USE Strategy

-  Rural BC Project
-  Agriculture
-  Air Traffic and Airport Improvement
-  Alternative Energy
-  Attraction and Retention
-  Community Social Services and Supports
-  Community Toolkit
-  Diversification and Implementation Plan
-  Future Forest Products and Fibre Use
-  Integrated Regional Infrastructure
-  Minerals and Mining
-  Regional Emergency Management Project
-  Tourism

[Backgrounder](#)
 [Strategy Documents](#)
 [Action Plans](#)
 [Project Overviews](#)
 [Project Reports](#)

Invitation to Comment

When it became obvious that the Mountain Pine Beetle epidemic would have significant and lasting consequences, the Premier asked us for advice on how to deal with the community impacts. We responded with a 15-year diversification plan backed by a series of sector-based strategies containing dozens specific recommendations.

The Future Forest Products and Fibre Use Strategy was created with input from experts and average citizens across the region. It was supplemented with The Way Forward – A Proposal to Modernize BC's Forest Policy. Recently we provided the province with advice on the forest inventory program, timber sales program, and its proposal for conversion to area-based tenure.

Now, as the timber harvest declines and we are seeing mills close, we feel it is time to be more proactive about advice on government forest policy. We want to be clear about what action is needed, and to work closely with the government and others to assure the long-term viability of the forest industry and our communities.

We encourage you to share your views by speaking with your local Coalition member or sending us an email to info@ominecacoalition.ca. Your comments on this discussion paper will help us prepare a proposal by early September.

Thank you for your interest and input.

Mayor Stephanie Kilam, Chair
Omineca Beetle Action Coalition

[Download Invitation to Comment OBAC Forest Policy Discussion POF \(1.2 MB\)](#)

Executive Summary

The prosperity of the OBAC region has long been reliant on its timber resources. However, the mountain pine beetle epidemic has had a major impact on the region's forests. While this epidemic has killed a substantial portion of the region's forests this, however, presents both challenges and opportunities for the forest sector. The region is also currently facing a major downturn in its traditional

The forest sector is a complex and vitally important component of the economy of the OBAC region. Forest companies in the region are among the most efficient, capital intensive manufacturers of dimensional lumber and panel products in the world. These manufacturers rely on a stable, reliable supply of raw material, and reliable transportation of goods to market. Recently, in response to the MPB epidemic, many larger companies invested in upgrades to focus on milling dead pine. Actions are required, to strengthen this sector and allow it to take full advantage of the considerable volume of dead pine which is currently available. There is also a need to ensure that the future timber supply is available to support the production of the traditional forest products in the mid- and long-term.

There is a need to diversify the forest sector and produce a much wider range of timber and nontimber forest products from the region's considerable forest assets. This will generate new wealth for the region and should lessen the impact of future downturns in the traditional lumber markets. These opportunities include the production of energy from wood, value added manufacturing, agro-forestry, and increased tourism.

The future resilience of the OBAC communities is largely dependent on the region's rich forests. By addressing key areas such as: access to resources and certainty of supply; access to capital; transportation infrastructure to access markets; and information about markets and market opportunities the province can facilitate diversification and the development of a new forest economy for the region. Major forest management decisions can benefit or harm community interests, therefore the OBAC communities need to have a more direct role in the management of their forests. This will foster self-sufficiency and innovation, strengthen working relationships between aboriginal and non-aboriginal communities in the region, and allow local solutions to be developed.

OBAC communities envision a diverse forest sector that: builds upon the sustainable use and regeneration of forests; produces a diverse range of timber and non-timber forest products; encourages a diverse range of business models and partnerships; balances the need for quick response to changing forestry and market circumstances with the need for business certainty; operates under regulations that cultivate innovation; and continues to manage the forest resource for all forest values including ecological and cultural wellbeing.

Six objectives must be attained for OBAC communities to realize their vision. These are:

- Objective 1. Increase community benefits from forest resources.
- Objective 2. Diversify and strengthen the forest sector.
- Objective 3. Form stronger working partnerships and communication among First Nations, local communities, government, and the forest sector.
- Objective 4. Increase the ability to train and retain the required work force.



Objective 5. Create a climate of ownership and pride in the region's forest resources.

Objective 6. Ensure the forest is managed to meet future needs and opportunities.

There are four recommendations that OBAC believes will promote evolution and sustainable development of the forest sector and forest resources in the OBAC region. The recommendations are built on principles of a resilient and diversified economy and good quality of life. An overarching consideration is the need to ensure that the region's considerable forest and other environmental assets are not degraded and will continue to support the region's communities for generations to come. The recommendations are further developed with more than 20 actions that guide future planning and implementation of the strategy. The recommendations are:

Recommendation 1. Increase the benefits that communities can rely upon from forest resources and forestry.

Recommendation 2. Ensure that the forest sector remains a strong economic contributor to the region.

Recommendation 3. Recognize the pine beetle killed stands as a valuable asset which should be used to full potential before their commercial value is depleted.

Recommendation 4. Increase awareness and understanding of the long-term viability of the forest sector.

These recommendations and associated actions will promote needed change in the management of the region's forests, and the beneficial use of forest resources. They will also contribute directly to OBAC's overarching goal of community resiliency. Priority actions include:

- Provide all communities in the region with a more direct role in forest management and in the benefits derived from the region's forests;
- Incorporate community resilience considerations into major forest management decisionmaking;
- Improve and enhance transportation infrastructure and services;
- Provide more equitable and diverse access for existing and new users of fibre;
- Increase the range of products generated from the region's forest resources. Start by determining which high value and locally wealth-generating products are best suited for production from this region's assets;
- Ensure that dead pine stands are managed in a manner which addresses both their economic and environmental utility;
- Create a positive and competitive business climate for bio-energy development through an integrated policy, regulatory, tenure, and pricing environment;
- Provide information to the public on the strength and importance of the forest sector and the collective efforts to grow future opportunities; and
- Grow the forests that we will need in the future with focused, large scale investments in a targeted reforestation program.



Omineca Beetle Action Coalition

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Ref: 206560

June 25, 2014

In August 2012, in its report *Growing Fibre, Growing Value*,¹ the BC Legislature's Special Committee on Timber Supply made recommendations for addressing Mountain Pine Beetle impacts, including recommendations specific to the Lakes Timber Supply Area. With *Beyond the Beetle, A Mid-Term Timber Supply Action Plan*² (the Action Plan), the Ministry of Forests, Lands and Natural Resource Operations (FLNR) laid out a plan for implementing the Committee's recommendations. Key elements included accelerated reforestation, updating forest inventories, fuel management, intensive silviculture, and the potential to revise land-use plans to help mitigate impacts to mid-term timber supply.

I am pleased to confirm that the ministry has completed a review of land-use plans within the Lakes Timber Supply Area. The review was completed in consultation with local communities, First Nations, members of the Lakes Land and Resource Management Plan (LRMP) and industry.

The attached report describes the assessment that was undertaken. The conclusions are:

- There is increased risk to some values if land-use objectives were changed;
- The potential gains to timber supply from changes to objectives would be modest;
- Local stakeholders believe that underlying values and strategic direction (zones, goals) in the LRMP remain relevant;
- There is general support to amend Visual Quality Objectives (VQOs) where they pose a fire risk to communities. A public process will be undertaken to examine which VQOs would be candidates for amendment;
- There is no consensus to amend any other land-use objectives at this time;
- Sound data from a targeted monitoring initiative is needed to support future, land-use decisions or potential amendments; and
- Land-use objectives may be amended in the future if monitoring results support a change and public review indicates general support.

¹ *Growing Fibre, Growing Value*, Report of the Special Committee on Timber Supply; Legislative Assembly, Province of BC; August 2012. www.leg.bc.ca/cmt/39thparl/session-4/timber/reports/PDF/Rpt-TIMBER-39-4-GrowingFibreGrowingValue-2012-08-15.pdf

² *Beyond the Beetle, A Mid-Term Timber Supply Action Plan* can be found at: www.for.gov.bc.ca/hfp/mountain_pine_beetle/mid-term-timber-supply-project/MTTS-Action-Plan-201210.pdf

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By way of this letter, I can confirm that the Lakes LRMP has been reviewed and remains valid, both in terms of its embedded legal objectives and as policy guidance to land and resource management.

The province will continue to use the Lakes LRMP and existing legal objectives to adjudicate land and resource management decisions, and the forest sector and other authorized users of public lands and resources should continue to rely on the LRMP as guidance.

In moving ahead, FLNR will lead a renewed and refined monitoring initiative aimed at generating the information needed to accurately assess whether future adjustments to the LRMP may be warranted. A preliminary monitoring report will be completed by the fall of 2015.

If you have any further questions or require more detail, please do not hesitate to contact Eamon O'Donoghue, Regional Executive Director, at 250 847-7495 or by email at Eamon.ODonoghue@gov.bc.ca or contact Josh Pressey, District Manager for the Nadina Natural Resource District, at 250 692-2220 or by email at Josh.Pressey@gov.bc.ca.

Sincerely,



Steve Thomson
Minister of Forests, Lands
and Natural Resource Operations

pc: Eamon O'Donoghue, Regional Executive Director, Skeena Region
Josh Pressey, District Manager, Nadina Natural Resource District

**Summary Report:
Reviewing Land Use Plan Objectives in the Lakes TSA**

Assessment Work Undertaken

The Ministry of Forests, Lands and Natural Resource Operations (FLNR) have worked to implement the direction provided by the ministries *Beyond the Beetle, A Mid-Term Timber Supply Action Plan* (the Action Plan). FLNR conducted analyses to discover how sensitive the timber harvest levels might be to adjustments to sensitive areas or land-use objectives (e.g. biodiversity, visual quality etc.) within the Lakes LRMP. The total potential mid-term timber supply gain from removal of all sensitive area designations is 100,000m³/year. Biodiversity (i.e. Old Growth Management Areas) account for 90,000m³/year of the potential timber supply gain. Therefore, the assessment work primarily focussed Old Growth Management Areas (OGMAs).

Staff also conducted an analysis of the biodiversity implications of shifting the management of old growth from spatially designated OGMAs, to non-spatial management of old growth. They also analyzed what such a shift might mean to other values (i.e. Caribou, Grizzly Bears, First Nations cultural values). This was necessary because it was evident that many of the OGMAs in the Lakes TSA were originally designed and placed deliberately to protect these other values, in addition to old growth attributes.

Technical work was undertaken with the understanding that any proposed changes to LRMP objectives would be shared and discussed with communities, First Nations and stakeholders, with the intent of making informed recommendations to the Minister. To this end, FLNR explored, through preliminary discussions, the possibility of gaining a general consensus on adjusting timber harvesting constraints embodied in LRMP objectives.

Key Analysis Scenarios and Findings

- The total potential volume gained by removal of all LRMP sensitive areas designation is 100 000 m³/year. OGMAs account for 90 000 m³ and the remaining sensitive area designations account for 10 000 m³. Therefore, the analysis and consultation focussed on the potential for moving spatial OGMAs to non-spatial OGMAs.
- Currently 40 percent of the old growth forest target in the Lakes TSA is managed without spatial designation in OGMAs, and the remaining 60 percent is managed spatially within designated OGMAs.
- It is evident the Lakes LRMP planning team did an effective job of aligning sensitive values within the spatial OGMAs, so that the LRMP placed few constraints on the availability of merchantable timber. The result is that if OGMA designations are lifted completely, 65 percent of these areas have underlying values that may, on their own merit continue to constrain timber harvesting in the mid-term (e.g. First Nations cultural values, critical Caribou habitat, Grizzly Bear habitat).
- If the remaining spatially designated OGMAs, that do not overlap the values noted above, were managed non-spatially, the mid-term timber harvest levels could increase by up to 30 000m³/year.
- The technical analysis results have been reviewed with local government officials, First Nations, forest licensees and previous LRMP monitoring group members. Based on discussions to date, there is no general community consensus to shift OGMAs to nonspatial status.

- There has been a consistent message from community leaders about the need for a long-term perspective on 'sound forest management'. A challenge in many TSAs, and certainly in the Lakes, is the lack of clear understanding of the extent to which the goals and objectives of the LRMP are being met.
- A strong sentiment was expressed that more thorough monitoring information is needed about the implementation and effectiveness of the Lakes LRMP, and that such information should be a pre-condition for making changes to land-use plan objectives.
- There is a general support to amend Visual Quality Objectives in areas adjacent to communities, where it is warranted for purposes of fireproofing those communities. This would result in a very small benefit to mid-term timber supply.

Conclusion

The work that FLNR has undertaken fulfills the Committee's call for a review of objectives in the Lakes LRMP and includes several outcomes:

- Technical analyses indicate that adjusting LRMP objectives will not result in substantive improvements to mid-term timber availability. Further, there is no general community consensus to shift from spatial OGMAs to non-spatial management of old growth. Consequently, adjustments to the Lakes land-use plan objectives for old growth will not be pursued further at this time.
- There is general support to amend Visual Quality Objectives to reduce identified fire hazard to communities. FLNR will initiate a process to undertake this work, and work with the Forestry Committee of the Regional District of Bulkley Nechako and forest licensees to develop acceptable strategies for hazard abatement.
- Local stakeholders provided direct feedback that underlying values and strategic direction (zones, goals) in the LRMP remain relevant, and that there is no consensus to reconvene the local monitoring group at this time.
- FLNR will prepare a monitoring report with information needed to assess the effectiveness of implementation of the Lakes LRMP. Communities and stakeholders will be engaged in reviewing and determining recommendations stemming from this monitoring work. The resulting information about plan effectiveness will form the basis for future decision-making on any adjustments to land-use strategies. Any such adjustments must be consistent with the amendment process contained in the Lakes LRMP. Monitoring work will build on the inventory and monitoring programs that FLNR has in progress.
- Elected officials in the region have asked to be kept better informed of forest management direction and initiatives. FLNR's Regional Executive Director (Skeena Region) and District Manager (Nadina District) will work with the Forestry Committee of the Regional District of Bulkley Nechako to ensure there is timely dialogue about matters of importance to the communities.
- A formal Timber Supply Review is scheduled for 2016, which will provide an opportunity to revisit progress on mid-term timber harvest levels that result from continuing timber management efforts and investments.