

#### **REGIONAL DISTRICT OF BULKLEY-NECHAKO**

## NATURAL RESOURCES COMMITTEE (Committee of the Whole) Agenda (VIRTUAL)

### Thursday, November 4, 2021

PAGE NO.		ACTION
	<u> Agenda – November 4, 2021</u>	Approve
	Supplementary Agenda	Receive
	MINUTES	
2-4	Natural Resources Committee Meeting Minutes - October 7, 2021	Approve
	DELEGATION	
	<u>TC ENERGY – COASTAL GASLINK PROJECT</u> RE: Socio-economic Effects Management Plan (S Kiel Giddens, Public Affairs Manager Sian Weaver, Manager of Socio-economics Ian McLeod, Socio-economics, Senior Advisor	EEMP)
	REPORTS	
5-25	Cheryl Anderson, Director of Corporate Services - Forest Policy Engagement – Phase Two	Receive
26-75	Cheryl Anderson, Director of Corporate Services - Ministry of Forests, Lands, Natural Resource Operations and Rural Development – Modernizing Forest Policy in British Columbia	
	CORRESPONDENCE	
76-99	Linda Robertson, Director, Strategic Initiatives, Skeena Region, Ministry of Forests, Lands, Natur Resource Operations & Rural Development - Regional Roundtable	
100-103	Ministry of Forests, Lands, Natural Resource Operations & Rural Development – Revamped Forest Policy Puts Environment, People First	Receive
	SUPPLEMENTARY AGENDA	

**NEW BUSINESS** ADJOURNMENT

#### **REGIONAL DISTRICT OF BULKLEY-NECHAKO**

#### NATURAL RESOURCES COMMITTEE MEETING

#### Thursday, October 7, 2021

PRESENT:	Chair	Shane Brienen		
	Directors	Gladys Atrill – via Zoom – I Mark Fisher Dolores Funk – via Zoom Tom Greenaway Clint Lambert – left at 11:34 Linda McGuire Annette Morgan Bob Motion – via Zoom Chris Newell Mark Parker Jerry Petersen Michael Riis-Christianson Sarrah Storey – via Zoom Gerry Thiessen	left at 11:20 a.m., returned at 11:30 a.m. 8 a.m.	
	Staff		of Corporate Services	
	Others	11:39 a.m. Daniella Oake, Forester, H	ager, Chinook Community Forest – left at ampton Affiliates nager, Forest Enhancement Society of BC	
CALL TO OR	DER	Chair Brienen called the m	eeting to order at 11:04 a.m.	
AGENDA		Moved by Director Newell Seconded by Director Lambert		
<u>NRC.2021-4-1</u>		"That the Natural Resources Committee Agenda for October 7, 2021 be adopted."		
		(All/Directors/Majority)	CARRIED UNANIMOUSLY	
<u>MINUTES</u>				
Natural Resou Committee Me – June 10, 20	eeting Minutes	Moved by Director Peterse Seconded by Director New		
NRC.2021-4-2		"That the Natural Resource 2021 be approved."	"That the Natural Resources Committee Meeting Minutes of June 10, 2021 be approved."	
		(All/Directors/Majority)	CARRIED UNANIMOUSLY	

#### DELEGATION

#### <u>CHINOOK COMMUNITY FOREST AND FOREST ENHANCEMENT SOCIETY OF BC – Ken Nielsen,</u> <u>General Manager, Chinook Community Forest and Gord Pratt, Operations Manager, Forest</u> <u>Enhancement Society of BC</u>

Chair Brienen welcomed Ken Nielsen, General Manager Chinook Community Forest and Gord Pratt, Operations Manager, Forest Enhancement Society of BC.

Messrs. Pratt and Nielsen provided a PowerPoint presentation.

#### Forest Enhancement Society of British Columbia (FESBC) and Chinook Community Forest

- Quick Facts FESBC by the Numbers
- Funded Projects throughout British Columbia
- Funded Projects in the Region
- FESBC Funded Chinook
  - Community Forest Project
  - Chinook Community Forest Limited Partnership
- Verdun Fire August 5, 2018
- Chinook Community Forest
  - Four distinct areas under K4R License and Chinook Community Forest
  - K4R License is 104,000 gross hectares, with 64,000 Timber Harvesting Land Base (THLB)
  - 2018 wildfires consumed 10,000 hectares of Chinook Community Forest's THLB, of which 5,000/ha was the Verdun fire
- FESBC and Chinook Community Forest have teamed up to salvage approximately 250 hectares of 2018 wildfires
  - Summer/Fall of 2019 Chinook received \$300,000 from FESBC
  - o Chinook salvaged 100/ha within the Verdun Fire on Chicken Creek Hill
- In 2021 Chinook received \$500,000
  - Project: to salvage approximately 150/ha within the 2018 Nadina Fire
- Outcomes
  - Economic benefits
  - o Environmental benefits
  - o Social benefits.
- Discussion took place regarding:
  - Cost of harvesting
    - Increased substantially
    - Stumpage fees
    - FESBC
      - Opportunity to invest and best way to move forward
      - Support initiatives and jobs created
      - Provincial Government determining future of FESBC
  - Shovel Lake Fire
    - Currently FESBC funding is committed to existing projects
    - Chinook Community Forest has projects within the Shovel Lake, Verdun and Nadina 2018 fire areas at its own cost
  - Barriers to harvesting burnt timber
    - A number of factors
      - Demand from producers for clean timber
      - Oversupply of burnt timber
      - Some stands will return naturally, and some won't return naturally
      - Cost challenges
    - Secondary manufacturing facilities located close to communities to reduce transportation costs
    - Policy considerations and changes for a more diversified use of fibre

#### **DELEGATION (CONT'D)**

- Opportunity for secondary licensees to harvest fibre where primary licensees are unable to harvest
- Funding and fibre taken to Pinnacle Pellet in Smithers
- FESBC philosophy regarding fibre harvesting
- Village of Fraser Lake utilization of FESBC funding
- Support of FESBC
- Ministry of Forests, Lands, Natural Resource Operations and Rural Development restructuring.

Chair Brienen thanked Messrs. Nielsen and Pratt for attending the meeting.

#### <u>REPORT</u>

Ministry of Forests, Lands, Natural Resource Operations and Rural Development -Modernizing Forest Policy in British Columbia	Moved by Director Parker Seconded by Director Riis-Chri	stianson	
<u>NRC.2021-4-3</u> "That the Committee receive the Director of Corporate of Forests, Lands, Natural Resource Operations and – Modernizing Forest Policy in British Columbia mem		ource Operations and Rural Development	
	(All/Directors/Majority)	CARRIED UNANIMOUSLY	
	The Natural Resources Committee indicated their wish to have further discussion at a future meeting. Chair Brienen spoke of the importance of submitting recommendations from the RDBN, as well as each member municipality to the Minister of Forests, Lands, Natural Resource Operations and Rural Development.		
<u>ADJOURNMENT</u>	Moved by Director McGuire Seconded by Director Newell		
NRC.2021-4-4	"That the meeting be adjourned at 11:42 a.m."		
	(All/Directors/Majority)	CARRIED UNANIMOUSLY	

Shane Brienen, Chair

Cheryl Anderson, Director of Corporate Services



#### **REGIONAL DISTRICT OF BULKLEY-NECHAKO**

#### **MEMORANDUM**

TO: Chair Brienen and Natural Resources Committee

FROM: Cheryl Anderson, Director of Corporate Services

DATE: November 4, 2021

SUBJECT: Forest Policy Engagement – Phase Two

#### **RECOMMENDATION:**

(all/directors/majority)

Receive

#### BACKGROUND

Attached is a letter from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development regarding Fall Local Government Engagement Sessions.

The Omineca Region session is taking place on Friday, November 5<sup>th</sup> from 1:00-3:00 pm. The link to register is as follows: https://us02web.zoom.us/meeting/register/tZEvc-ChqD0oH9fIKg6iM\_BLXtcOAQaEICfN

The Skeena Region session is taking place on Monday, November 8<sup>th</sup> at 9:00 am. The link to register is as follows: <u>https://us02web.zoom.us/meeting/register/tZApf-GoqTopGNyF0i4uOX2lEvH\_Gnry1NyE</u>

#### Attachments

- 1. UBCM Forest Policy Engagement Announced
- Ministry of Forests, Lands, Natural Resource Operations and Rural Development Email – Modernizing Forest Policy – Fall Local Government Engagement Session Invitation
- 3. Modernizing Forest Policy: Policy Backgrounders & Engagement Options for Fall 2021



## **Forest Policy engagement announced**



#### Publishing Date: October 20, 2021

Local government input is being sought as the Province moves forward with forest policy changes as outlined in the Modernizing Forest Policy in BC **Intentions Paper**. The upcoming fall sessions are part two of three phases of engagement. The first phase was held over the summer, including a forestry workshop at the 2021 UBCM Convention.

Invite letters for phase two engagement have been sent to all local governments with details on how to register for one of nine regional webinars held between November 1-8. These sessions have been designed for mayors and councillors, regional district chairs, electoral area directors, and senior level local government staff. The topics for the November sessions will include:

- Minimizing slash burning
- Re-integrating prescribed and cultural fire into land management
- Harmonizing area-based tenure pricing
- Strengthening compliance and enforcement (in forestry)
- Revising BC Timber Sales' 3-sale maximum policy, and
- Creating a fibre access program for value-added wood manufacturers

If you would like further information about the November sessions, or if you did not receive a link to register, please contact the **Ministry of Forests, Lands and Natural Resource Operations**.

## Home > About the UBCM > Latest News

Forest Policy engagement announced



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October 13, 2021

Re: Modernizing Forest Policy – Fall Local Government Engagement Session Invitation

On June 1, 2021, the Honourable Katrine Conroy, Minister of Forests, Lands, Natural Resource Operations and Rural Development sent a letter to local government leaders introducing government's intentions for <u>Modernizing Forest Policy in British Columbia ('Intentions Paper')</u>. These 20 policy intentions were developed based on extensive consultation and engagement on forest policy and program changes over the last few years, including changes to forest management as part of the *Forest and Range Practices Act* Improvement Initiative, Interior Forest Sector Renewal, Coast Forest Sector Revitalization, and the Old Growth Strategic Review.

Designing and implementing policy change is anticipated over the next few years. To facilitate this change, the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (the 'Ministry') is seeking your insight and input on policy change.

The Ministry, in partnership with UBCM, is hosting several regionally focused, virtual engagement sessions in November. We are pleased to invite you to the session that has been developed for the Omineca Region on Friday, November 5<sup>th</sup> from 1:00pm-3:00pm.

The link to register is as follows (please register in advance of the session) – <u>https://us02web.zoom.us/meeting/register/tZEvc-ChqD0oH9fIKg6iM\_BLXtcOAQaEICfN</u>

These sessions have been designed for mayors and councillors, regional district chairs, electoral area directors, and senior level local government staff. We welcome you to forward this invitation to elected officials and senior staff within your government who you think would like to attend.

These fall engagement sessions are part two of three phases of engagement planned for Modernizing Forest Policy (see Figure 1 below). The topics of focus in our November session will be:

- 1. Minimizing slash burning
- 2. Re-integrating prescribed and cultural fire into land management
- 3. Harmonizing area-based tenure pricing
- 4. Strengthening compliance and enforcement (in forestry)
- 5. Revising BC Timber Sales' 3-sale maximum policy, and
- 6. Creating a fibre access program for value-added wood manufacturers

You will receive a package covering each of the topics in more detail by October 20<sup>th</sup>. These materials build on what your governments, through the mayors and regional district chairs, should have received July 7, 2021, which informed late July 2021 virtual engagement sessions.

We understand that the summer was a difficult time for many to engage. For quick reference, we've posted a slide deck on our Summer topics <u>here</u>, and a recap of Summer engagement will be a component of our November sessions.

If this date/time doesn't work for you and you would like to attend a different regional session, or if you have any questions or concerns, please contact our team via <u>forest.policy@gov.bc.ca</u>.

Sincerely,

Michael Co

Mike Pedersen Executive Director

Ministry of Forests, Lands, Natural Resource Operations and Rural Development Mike.Pedersen@gov.bc.ca

Figure 1: Modernizing Forest Policy Engagement Timing

		Engagement Timeline and Topics	
	Spring / Summer June to August 2021	Fall Sept to Dec 2021	Winter Jan to March 2022
Policy Intentions*	<ul> <li>Create future tenure opportunities (IP1)</li> <li>Provide clarity on compensation (IP2)</li> <li>Create flexibility when forest licenses need to be reduced (IP3)</li> <li>Revise tenure disposition considerations (IP4)</li> <li>Enhance revenue oversight for log export (IP5)</li> <li>Continue to improve the Forest and Range Practices Act (FRPA) (IP8)</li> <li>Advance apportionment (IP10)</li> <li>Improve accountability in tenure manage- ment (IP12)</li> <li>Increase discretion in authorizing activi- ties (IP13)</li> <li>Support silviculture management and in- novation investments (IP14)</li> <li>Modernize tenure replaceability condi- tions (IP15)</li> <li>Initiate a higher value product and inno- vation sector-ministry working group (IP16a)</li> </ul>	<ul> <li>Evolve BC Timber Sales (BCTS) policy for max sales restrictions (IP6)</li> <li>Re-integrate prescribes and cultural fire into forest management (IP9)</li> <li>Initiate process to minimize slash burning (IP16b)</li> <li>Develop a timber sales program focused on value added manufacturers (IP16c)</li> <li>Revise area-based tenure-specific pricing policy (IP18)</li> <li>Strengthen compliance and enforcement (IP19)</li> </ul>	<ul> <li>Review the cut control process (IP11)</li> <li>Improve accountability in tenure management (IP12)</li> <li>Promote the use of wood and mass timber (IP17)</li> </ul>

\*Numbering is as per the Modernizing Forest Policy Intentions Paper

#### Modernizing Forest Policy: Policy Backgrounders & Engagement Options for Fall 2021

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This information package is to support local government engagement on Modernizing Forest Policy. It intends to inform you of ongoing forest policy work, outline engagement options, and provide

background information to support such engagement.

This follows the invitation you should have received on October 13, 2021 for a virtual engagement session, specific for your region, hosted by the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (the Ministry) and UBCM.

Policy engagement is occurring in a phased approach to align the policy design and implementation work over the next few years (see Figure 1 below).

#### Modernizing Forest Policy

On June 2, 2021, the Honourable Katrine Conroy, Minister of Forests, Lands, Natural Resource Operations and Rural Development sent a letter to local government leaders introducing government's intentions for <u>Modernizing Forest Policy in British Columbia</u> (<u>'Intentions Paper'</u>). These 20 policy intentions were developed based on extensive consultation and engagement on forest policy changes over the last few years.

The upcoming engagement sessions are the second of three phases of engagement. The first phase happened over the summer. A recap of the summer engagement will be provided in our upcoming sessions, and an overview of the phase one topics from the summer are available <u>here</u>.

		Engagement Timeline and Topics	
and the second	ing / Summer to August 2021	Fall Sept to Dec 2021	Winter Jan to March 2022
<ul> <li>Provide clarity o</li> <li>Create flexibility need to be reduced to be reduce</li></ul>	isposition considerations te oversight for log export rove the Forest and Act (FRPA) (IP8) ionment (IP10) tability in tenure manage- ton in authorizing activi- ure management and in-	<ul> <li>Evolve BC Timber Sales (BCTS) policy for max sales restrictions (IP6)</li> <li>Re-integrate prescribes and cultural fire into forest management (IP9)</li> <li>Initiate process to minimize slash burning (IP16b)</li> <li>Develop a timber sales program focused on value added manufacturers (IP16c)</li> <li>Revise area-based tenure-specific pricing policy (IP18)</li> <li>Strengthen compliance and enforcement (IP19)</li> </ul>	<ul> <li>Review the cut control process (IP11)</li> <li>Improve accountability in tenure management (IP12)</li> <li>Promote the use of wood and mass timber (IP17)</li> </ul>

Figure 1: Modernizing Forest Policy Engagement Topics and Timing

\*Numbering is as per the Modernizing Forest Policy Intentions Paper

This Fall's focus is on six policy topics (see table below). A detailed policy backgrounder for each of these topics is provided in Appendix 1.

Fall Policy Topic <sup>1</sup>	Intention
Minimizing slash burning	The Ministry intends to advance a process to minimize the burning of slash piles created after timber harvesting, to reduce emissions and make available this fibre for manufacturing. Based on what we have heard from communities, this topic is important to communities, such as how slash burning impacts community airsheds.
Re-integrating prescribed and cultural fire into land management	The Ministry intends to work with Indigenous partners and stakeholders to re-integrate prescribed and cultural fire as a core part of our forest management toolkit. This policy change will contribute to meaningful reductions in wildfire risk and effective provincial-level climate adaptation. Based on what we have heard from communities, the use of fire as a tool to manage risk and ecosystem health is important.
Harmonizing area- based tenure pricing	Currently there is a disparity between stumpage rates applied to Woodlot Licences, Community Forest Agreements, and First Nation Woodland Licences. The Ministry intends to take steps toward harmonizing rate structures while being consistent with the market-based pricing system and recognizing economies of scale for smaller forest tenures. Based on what we have heard from communities who hold forest tenure, this topic is important to you.
Strengthening compliance and enforcement (in forestry)	Compliance and enforcement are important elements of the forest management framework. The Ministry intends to examine policy changes, around penalties, and other measures, that will strengthen compliance and enforcement and deter undesirable behaviour or poor practices. Based on what we have heard from communities, compliance and enforcement is a significant topic of interest.
Revising BC Timber Sales' 3-sale maximum policy	BC Timber Sales (BCTS) sells Crown timber through competitive auction. Currently a business can hold no more than three timber sale licences at any time, to support a competitive marketplace. The Ministry intends to examine a new approach to allow for more sale opportunities at smaller volumes. Based on what we have heard from communities, this topic is not likely of interest, as it focuses more on manufacturers and log purchasers, but we are pleased to discuss it with you if there is interest.
Creating a fibre access program for value-added wood manufacturers	The Ministry intends to modify part of its BCTS program to improve fibre access for value- added manufacturers, as fibre access is an important investment factor. Based on what we have heard from communities, this will be a topic of interest if there are value-added manufacturers in your communities, or prospective future investments.

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<sup>1</sup> Forest policy topic heading may be shortened from topic headings found in Appendix 1

#### **Options for Engaging on Modernizing Forest Policy This Fall**

The Ministry is seeking your insight and input on these policy changes. There are two avenues for you to engage:

- 1. Via a regionally focussed virtual engagement session for your region, or
- 2. By providing written feedback on the Fall policy topics via our <u>on-line engagement portal</u>. The portal will remain open until December 10<sup>th</sup>, 2021.

Thank you in advance for your consideration and feedback on this phase of Modernizing Forest Policy. If you have specific questions or concerns related to this Fall's engagement opportunities, please feel free to contact us via forest.policy@gov.bc.ca.

#### Fall 2021 Policy Intention Background Information

Α.	Initiating a process to minimize slash pile burning - Intentions Paper topic #16b
B. Pape	Re-introducing prescribed and cultural fire as a land and forest management tool – Intentions er topic #9
C.	Revising area-based tenure-specific pricing policy - Intentions Paper topic #18
D.	Strengthening compliance and enforcement in forestry - Intentions Paper topic #19 11
Ε.	Evolving BC Timber Sales (BCTS) policy for maximum sales restrictions – Intentions Paper topic #6
F.	Developing a timber sales program for value added manufacturers – Intentions Paper topic #16c 

# A. Initiating a process to minimize slash pile burning - Intentions Paper topic #16b

#### **Background on policy**

Slash pile burning is used widely by forest sector licensees to meet hazard abatement obligations under the *Wildfire Act*. Open burning is currently regulated under the *Wildfire Act* and the *Open Burning Smoke Control Regulation*. Slash pile burning releases greenhouse gases and impacts air quality. By advancing a process to minimize the burning of slash piles created after timber harvesting without relaxing hazard abatement obligations, residual fibre will be available for manufacturing and the reduced greenhouse gas emission will benefit our climate as part of CleanBC.

#### What we have heard regarding this topic

- It was estimated that, conservatively, over the last ten years an average of approximately 5.5 million tonnes of carbon dioxide equivalent was released annually from slash pile burning, accounting for about 8% of the emissions in B.C., excluding that from wildfires.
- Some of the fibre from slash piles can be used to make forest products.
- As new markets are developed there may be more economic opportunities available for utilizing residual fibre from timber harvesting.
- There are localized concerns from the public about slash pile burning, fibre utilization and air quality.

#### Intentions and future state

- Intention established by the Province in the Intentions Paper: Increasing fibre access for valueadded domestic manufacturers: In support of our vision to diversify manufacturing and increase value, we intend to:
  - o ...
  - Advance a process to minimize the burning of slash piles created after timber harvesting, so this fibre is available for manufacturing, and that reduced emissions benefit our climate as part of CleanBC.
  - o ...
- Our future state should:
  - Shift to an environment where either slash is not created or it is used in a different manner to reduce slash pile burning, which could include:
    - Reduce the creation of residual fibre from harvesting activities by exercising forest management best practices.
    - Increase the use of residual fibre created from timber harvesting to reduce the need for slash pile burning and diversify manufacturing.
  - Include tools other than slash pile burning to meet hazard abatement obligations.
  - Provide options or exemptions for limited slash pile burning under special circumstances.
  - Incorporate the cost of carbon emissions as part of the economic consideration of slash pile burning.

#### **Principles and Considerations**

Key principles and considerations important for policy changes regarding minimizing slash burning:

PRINCIPLES

- Fire hazard abatement obligations under the *Wildfire Act* and obligations under the *Open Burning Smoke Control Regulation* must be met.
- Leaving avoidable waste is not acceptable in B.C.
- Sound stewardship practices are used to reduce creation of timber harvesting residue and to minimize slash pile burning. For example, leave trees standing if they are not going to be utilized.

#### CONSIDERATIONS

- Prescribed and cultural burning are separate topics from slash pile burning.
- A phasing out period and targets for implementation, or limited allowable burning, are needed for the forest sector to adjust their practices.
- Ongoing monitoring is needed to track progress and to ensure this transition does not result in increased wildfire risk on the land base.
- Social, economic, and environmental implications of minimizing slash pile burning need to be considered.
- New local value-added processing and manufacturing facilities are needed to process the residual fibre.

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#### Appendix 1: Fall 2021 Modernizing Forest Policy Intention Background Information

# B. Re-introducing prescribed and cultural fire as a land and forest management tool – Intentions Paper topic #9

#### Background on policy

Wildfires are one of the most significant climate-related threat to British Columbians, and this threat is growing<sup>1</sup>. Climate resilience will require preparedness and risk-reduction strategies at the community and landscape levels. Expanding the use of well-planned, safe prescribed and cultural fire into forest management has a central role in protecting communities and ensuring the future of B.C.'s forest resources against the impacts of climate change.

The Province has committed to expanding the use of cultural and prescribed fire through its Intentions Paper to Modernize Forest Policy, draft *Declaration Act* Action Plan, and draft Climate Preparedness and Adaptation Strategy. The Province intends to take a partnership-based approach with Indigenous peoples, and with forest licencees, local governments and other stakeholders, to implement these commitments.

#### What we have heard regarding this topic

- In the 1990's, approximately 100,000 to 150,000 hectares of prescribed burning took place in B.C. every year. Broadcast burning was a common forestry practice, and at that time a major component of overall forest management practices after timber harvesting. Since 2010, approximately 5,000 to 10,000 hectares of prescribed burning has taken place annually.
- Over 75% of those surveyed during the development of Addressing the New Normal: 21<sup>st</sup> Century Disaster Management in British Columbia (the 2018 "Abbott Chapman Report") supported the expanded use of cultural and prescribed fire as a strategy to mitigate the risk of catastrophic wildfires and support ecosystem health. Traditional burning practices was the top consideration for Indigenous respondents.
- The Abbott Chapman Report made several specific recommendations about prescribed and cultural fire, including integrating traditional Indigenous knowledge and contemporary burning practices, exploring options to expand liability protection for responsible burners, reviewing smoke management policies, and re-building capacity.
- To date, the Province has heard that many forest licencees have strong relationships with Indigenous Nations that could support the expanded use cultural and prescribed fire in their planning and operations, and they understand the value of prescribed fire as a forest management tool to support multiple objectives.
- The Province has heard that some forest licencees view liability concerns, smoke management requirements, and cost as obstacles to re-integrating prescribed fire into their operations.

#### Intentions and future state

• Intention established by the Province in the Intentions Paper: Forests are a conservation resource and an economic resource, as well as a source of wildfire fuel. Climate change creates the conditions for more frequent and intense wildfires, including mega-wildfires like those triggering widespread evacuations. Wildfires have disrupted local economies and led to an

<sup>&</sup>lt;sup>1</sup>Preliminary strategic climate risk assessment - Province of British Columbia (gov.bc.ca)

unplanned loss of habitat, including old-growth forests. Fire is a natural process and important for ecosystem health and habitat value. The Ministry will work in cooperation, coordination and collaboration with Indigenous partners and stakeholders to re-integrate prescribed and cultural fire as a core part of our forest management toolkit.

- Our future state should:
  - Integrate a range of strategies for wildfire resilience, including cultural and prescribed fire, as a core part of the toolkit that forestry professionals use in everyday forest management planning and operations in B.C.
  - Apply cultural and prescribed fire at a scale that contributes to meaningful reductions in wildfire risk and effective climate adaptation at the provincial level.
  - Bring together Indigenous partners, provincial agencies, forest licencees, local governments and other stakeholders to leverage their respective knowledge and capacity through collaborative processes.
  - Expand the cohort of skilled professionals and cultural fire practitioners from across Indigenous governments and organizations, government agencies, forest licencees, and other partners, who actively share knowledge and offer mentorship opportunities to build further capacity.
  - Build public understanding of the benefits of cultural and prescribed fire and maintain support for responsible burning.

#### Principles and Considerations

Key principles and considerations for expanding the use of cultural and prescribed fire.

#### PRINCIPLES

- Health and safety are paramount. This includes the safety of cultural and prescribed fire practitioners, communities, and the public at large.
- Many Indigenous Nations have used fire as a stewardship practices since time immemorial. Reintroducing cultural and prescribed fire on the land base is a key opportunity to incorporate Indigenous knowledge and advance land-based reconciliation with Indigenous Nations.
- Climate adaptation and community resilience are everyone's business. Expanding the use of cultural and prescribed fire in B.C. requires an all-of-society, partnership-based approach.

#### CONSIDERATIONS

- Cultural and prescribed fire is a strategic forest management tool as well as a site-level silviculture<sup>2</sup> practice. A landscape-level lens guides the use of cultural and prescribed fire in locations and configurations that reduce landscape-level risks to communities, critical infrastructure, natural resource and cultural values and the timber resource.
- Like other wildfire risk reduction strategies, cultural and prescribed fire is not simply an incremental cost to current operations. It is an insurance policy on the future of our forest resources and the benefits that these resources provide to many, including Indigenous Nations, communities, and the forest sector.

<sup>&</sup>lt;sup>2</sup> Broadly defined as the growing and caring of trees and forests

 As climate change drives increasingly severe wildfire seasons, there is no "fireless/smokeless" future scenario for B.C. Fire has always been and will always be present in B.C. ecosystems; the question is what kind of fire occurs the land base. The risks and benefits of expanding the use of cultural and prescribed fire must be compared against the anticipated impacts of the future fire regime under climate change and in the context of current forest fuel conditions on the land base.

# C. Revising area-based tenure-specific pricing policy - Intentions Paper topic #18

#### Background on policy

- Community Forest Agreements (CFA) and Woodlot Licences (WL) are two forms of smaller areabased tenures.
- Smaller area-based tenures have less flexibility around harvesting and are negatively impacted by the economies of scale. Tabular stumpage rates recognize these additional costs, providing a discount relative to full stumpage for CFAs and WL.
- Tabular rates also support alternative approaches to the traditional industrial forest model that
  include encouraging broader societal goals like unique environmental management approaches
  and greater incorporation of and benefits to local communities.
- However, over time these tabular rates have led to inequities and other challenges in the system, including:
  - <u>Discriminatory pricing</u>: Holders of First Nation Woodland Licences (FNWL) have sought the tabular approach available under CFAs and WLs. It has been government policy to not expand the tabular rate program to FNWL, creating a system that is seen as discriminatory to Indigenous Nations.
  - <u>Inadequate disincentive</u>: Due to tabular rates, penalties for exceeding annual harvest (set at three times the rate of stumpage) do not provide an effective deterrent for overharvesting.
- The size of tenures held under these tenures include:
  - o Community Forest Agreements with an AAC of 860 m<sup>3</sup>/yr to 194,000 m<sup>3</sup>/yr
  - o Woodlot Licences with an AAC of 29 m<sup>3</sup>/yr to 18,000 m<sup>3</sup>/yr
  - o First Nation Woodland Licences, AAC of 5,000 m<sup>3</sup>/yr to 100,000 m<sup>3</sup>/yr

#### What we have heard regarding this topic

- Existing pricing structure is a disincentive to holding a FNWL relative to a CFA or WL
- All three of these area-based tenures (FNWL, CFAs and WL) have increased costs due to reduced economies of scale
- There are greater social objectives associated with these tenures
- Current CFA and WL holders, and communities who benefit from these tenures, support the existing policy
- Any change should be phased in

#### Intentions and future state

- Intention established by the Province in the Intentions Paper: Currently there is a disparity between stumpage rates applied to Woodlot Licences, Community Forest Agreements, and First nation Woodland Licences issued to Indigenous communities.
- Our future state should:
  - o Harmonize rate structures
  - o Maintain integrity of the Market Pricing System (MPS)
  - o Recognize economies of scale for these smaller tenures

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#### Appendix 1: Fall 2021 Modernizing Forest Policy Intention Background Information

#### Principles and Considerations

Key principles and considerations important for pricing policy changes for area-based forest tenures:

#### PRINCIPLES

- Address disparity between FNWL and CFAs/WL
- Recognize economies of scale
- Pricing model should be as cost effective to implement
- Maintain integrity of the Market Pricing System (MPS)
- A transition period is likely required

#### CONSIDERATIONS

- Stumpage policy could consider a graduated or sliding scale approach, based on tenure size
- Alternative approaches to supporting economies of scale and MPS integrity could include grants or other programs
- Tenure conversion or blending, such as between CFAs and FNWLs, could be considered
- Overharvest penalties will be examined, and considered to shift to full stumpage for all tenure types going forward

## D. Strengthening compliance and enforcement in forestry - Intentions Paper topic #19

#### Background on policy

Compliance and enforcement is a foundational element of the legislative framework for managing B.C.'s forest sector. Strong compliance and enforcement is critical to ensure public safety, protect the environment, ensure that B.C.'s forests provide social and economic benefits to all British Columbians, and maintain British Columbian's confidence in the management of their forest resources. As interests and pressures increase on the land base and become more complex, our compliance and enforcement framework must evolve to meet this changing reality.

#### What we have heard regarding this topic

- Engagement over the past few years (e.g., *Forest and Range Practices Act* Improvement Initiative) has generated comments related to the level of compliance monitoring, a perception that fines and penalties are insufficient to deter future contraventions and raised questions regarding public transparency about compliance and contraventions. All these factors are resulting in a strong interest in strengthening compliance and enforcement in the forest sector.
- The Forest Practices Board has published several reports focussing on compliance and enforcement, and concluded that "the public cannot be confident that government's C&E framework is achieving the intended result of promoting licensee compliance with legislation" (News Release: Changes needed to compliance and enforcement program (bcfpb.ca).
- Indigenous peoples have highlighted the importance of strengthening compliance programs and enforcement of natural resource legislation. The Ministry has heard from Indigenous peoples and Indigenous Nations that monitoring and enforcement are critical to implementing the Declaration on the Rights of Indigenous Peoples Act and advancing reconciliation and have a strong interest in collaborating on compliance and enforcement with the Province.

#### Intentions and future state

- Intention established by the Province in the Intentions Paper: The public has a right to know which licensees are fulfilling the public's trust, and which are not. When there are violations, penalties need to be sufficient that they act as a deterrent and not merely treated as the "price of doing business." We intend to reinforce our ability to address issues around poor practices and behaviour. This includes public reporting of infractions and reviewing existing fine and penalty amounts to ensure effective enforcement commensurate to the nature of the violation.
- A future state will:
  - Ensure a strong and effective compliance and enforcement framework with appropriate consequences, holding responsible parties accountable for infractions and encouraging compliance and excellent performance.
  - Provide transparency to the public about licensee performance in managing public forest resources.
  - Support reconciliation with Indigenous peoples through strong collaboration and partnership with respect to compliance and enforcement activities.

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#### Principles and Considerations

Key principles and considerations important for policy changes regarding compliance and enforcement:

#### PRINCIPLES

- Support reconciliation with Indigenous Nations and Indigenous peoples and implementation of the *Declaration on the Rights of Indigenous Peoples Act*.
- Increase compliance across the forest sector with legislation and regulations.
- Improve existing forestry practices on the ground to support healthy, resilient forests and the long-term sustainability of the forest sector.
- Enhance public trust and confidence in the management of B.C.'s forests.

#### CONSIDERATIONS

- Changes to the Province's compliance and enforcement program needs to support collaboration and cooperation with Indigenous Nations.
- While legislation changes may support achieving the future state, many necessary changes can be achieved through (non-legal) policies and guidance.
- Consequences for violations must be sufficient to remove incentive and deter future offences to ensure they are not just the cost of doing business.

#### E. Evolving BC Timber Sales (BCTS) policy for maximum sales restrictions – Intentions Paper topic #6

#### Background on policy

- BCTS registrants bid on timber sales through a competitive auction model. Successful bidders can hold up to three timber sales at any one time. This is notionally referred to as the three-sale limit. This is long standing provincial policy.
- The three-sale limit is a pro-competitive measure which promotes increased participation in the market.
- Restricting the number of timber sales one entity can hold serves to avoid possible concentration of timber volume control by a few entities, increase the number of potential bidders in the auctions, and hence further increase auction competition.
- The competitive auction system, and the three-sale limit, function well with respect to its primary purpose (i.e., setting and establishing a competitive and market-based price for timber). However the three-sale limit doesn't sufficiently consider how smaller sector participants seeking smaller sales overall may be limited by this limit, while the market remains competitive. In essence, an entity holding three timber sale licences of 5,000 m<sup>3</sup> is treated the same as one holding three of 50,000 m<sup>3</sup>.
- This policy review is particularly relevant and important to smaller BCTS registrants and those with smaller facilities.

#### What we have heard regarding this topic

- The majority of BCTS Timber Sale Licences (TSLs) sizes range between 15,000 m<sup>3</sup> to 75,000 m<sup>3</sup> with an average of sale size of about 35,000 m<sup>3</sup>
- Through discussions associated with the various initiatives undertaken over the last few years (e.g., Coast Forest Sector Revitalization, Interior Forest Sector Renewal, and the Timber Sales Advisory Committee (ministry-industry committee called TSAC)), points have been raised that smaller entities such as market loggers or smaller processing facilities would appreciate smaller timber sales for purchase, and/or more flexibility in obtaining TSLs.
- However, smaller TSLs have a higher tendency to have no bids received after auctioning with the feedback being that these sales can have higher mobilization and administrative costs and can be an impediment due to the potential removal of opportunity to bid on larger sales due to the three-sale limit.

#### Intentions and future state

- Intention established by the Province in the Intentions Paper: BCTS sells about 10-12 million m<sup>3</sup> of Crown timber annually through competitive auction. This timber is available to businesses registered in the program. Current limitations to participating businesses limit any entity to holding no more than three timber sale licence (regardless of size) at any time. The system functions well with respect to its primary purpose (setting and establishing a competitive and market-based price for timber), but license holders are not all the same. The Province will consider an alternate approach to allow for more sale opportunities at smaller volumes to smaller or value-added manufacturers.
- Our future state should:

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#### Appendix 1: Fall 2021 Modernizing Forest Policy Intention Background Information

 Increase opportunities for small market-loggers and small processing facilities in BCTS auctions.

#### **Principles and Considerations**

Key principles and considerations important to shifting maximum sales policy for the sector and BCTS registrants:

#### PRINCIPLES

- Maintain integrity of the Market Pricing System (MPS)
- Have application across all BCTS Business Areas
- Easy to understand and administratively simple to implement
- Not be more restrictive that the current three-sale policy
- Increased opportunities for smaller volume sales

#### CONSIDERATIONS

- Defining a threshold
  - a volume limit/floor before the three-sale limit is applied
  - a volume maximum in addition to the three-sale limit
- Potential exemptions from the three-sale limit
  - decked sales,
  - salvage,
  - other

#### F. Developing a timber sales program for value added manufacturers – Intentions Paper topic #16c

#### **Background on policy**

- The Province has indicated that increasing value-added manufacturing is part of their forest sector transformation vision.
- BC Timber Sales' (BCTS) Category 2 (CAT2) program was originally established to provide access to fibre to untenured or minimally tenured (<10,000 m<sup>3</sup>) wood processing facilities. Untenured facilities refer to wood products manufacturers who don't hold a forest tenure agreement with the Province.
- Many wood processing facilities, including smaller facilities or value-added facilities, must source wood from the open market such as through BCTS competitive auctions.
- Value-added and smaller mills supported by this timber flow from BCTS provide a significant contribution to rural economies and communities, such as employment and economic activity.
- Current CAT2 timber volume is generated from the BCTS volume (apportionment) assigned to run the Category 1 (CAT1) BCTS program, which is what informs the Market Pricing System (MPS). CAT2 Timber Sale Licences (TSLs) account for about 10% or 1.1 million m<sup>3</sup> per year across B.C.
- While not quantified, volume flows between tenured and untenured mills as one mill is often not able to process all the timber from a given stand.

#### What we have heard regarding this topic

- The provision of specific fibre to untenured or minimally tenured processing facilities has been reviewed several times over the last 30 years. These reviews resulted in a couple different approaches under both the former Small Business Forest Enterprise Program (SBFEP) and current BCTS structure.
- The diversity of potential value-added products produced by CAT2 registrants has expanded to include the full range of various feedstocks including products reliant on residual fibre from primary harvest or milling to engineered forest products produced from the outputs of primary sawmilling facilities.
- Meeting the demand for diverse fibre types is constrained by the BCTS business requirement to support MPS through competitive auctions across a wide variety of stands types.
- In response to this variety, a complex network of private business arrangements between a diversity of forest sector participants has evolved over time.

#### Intentions and future state

- <u>Intention established by the Province in the Intentions Paper</u>: Increasing fibre access for valueadded domestic manufacturers: In support of our vision to diversify manufacturing and increase value, we intend to:
  - o ...
  - o Develop a program for timber sales with a focus on the value-added sector.
- A future state:
  - A robust stable value-added sector that ensures that timber and fibre flow to the appropriate facility with the goal of achieving the highest value return from each of these sources.

#### **Principles and Considerations**

Key principles and considerations important for policy changes regarding a fibre access program for value added manufacturers:

#### PRINCIPLES

The Program:

- Maintain integrity of the Market Pricing System (MPS)
- Must be transparent and open to qualified registrants
- Must be able to operate across the province depending on need
- Must not favour certain participants over others
- Must allow opportunities for new entrants
- Must not interfere with or restrict legitimate business arrangements
- Should foster the development of private business arrangement to effectively supply appropriate feedstocks (i.e., "right log to right mill")
- Must have a robust auditing and monitoring provisions to ensure public accountability

#### CONSIDERATIONS

- Spectrum of value-added definitions to support a re-designed program:
  - Any untenured or minimally tenured processing facility, or
  - Processing facilities that produce a defined value-added product, or
  - Value-added program with 2 sub-components: Value-added and fibre recovery
- Potential award structure:
  - Highest Bid, or
  - Bid-proposal
- Program administration:
  - A focused sub-program within BCTS with a separate AAC apportionment, or
  - A distinct program within the Ministry's Forest Tenures Branch or another branch (existing or net new) with a separate AAC apportionment, or
  - A separate from government established society to evaluate, allocate, and administer the value-added program AAC apportionment



#### **REGIONAL DISTRICT OF BULKLEY-NECHAKO**

#### **MEMORANDUM**

TO:	Chair Brienen and Natural Resources Committee
FROM:	Cheryl Anderson, Director of Corporate Services
DATE:	November 4, 2021
SUBJECT:	Ministry of Forests, Lands, Natural Resource Operations and Rural Development – Modernizing Forest Policy in British Columbia

#### **RECOMMENDATION:**

(all/directors/majority)

Discussion/Receive

#### BACKGROUND

The attached documents were included on the October 7, 2021 Natural Resources Committee Agenda for discussion/receipt. The Committee directed that the information be included on an upcoming agenda for further discussion.

#### Attachments

- 1. Modernizing Forest Policy in B.C. Setting The Intention and Leading the Forest Sector Transition
- 2. Modernizing Forest Policy in British Columbia Tackling today's challenges while preparing for tomorrows' opportunities

# Modernizing Forest Policy in British Columbia

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Setting The Intention and Leading the Forest Sector Transition





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## Introduction: The Need to Modernize B.C.'s Forest Policy

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**FORESTS ARE ESSENTIAL** to our identity as British Columbians. We are deeply connected to them. They anchor ecosystems critical to the wellbeing of many species of plants and animals, including ourselves, today and in the future.

To ensure future generations enjoy and benefit from our forests, as we have done, now is the time to make sustainable choices. We must do so collectively and transparently.

More than 50,000 British Columbians work directly in the forest industry. Many more benefit indirectly. B.C. forest products are in demand all over the world. Last year, they made up 29 per cent of B.C.'s total exports, equal to \$11.5 billion. In a global marketplace demanding more innovative goods, our forests provide a high-value, renewable resource.

These same forests are also essential to a healthy environment, biodiversity, capturing carbon and filtering drinking water. They are a legacy to be cherished by future generations. The forestry sector faces monumental challenges. These put the future of our forests at risk, threatening the future of many communities. B.C.'s forestry policy framework, put in place nearly two decades ago, is inadequate to address today's challenges.

The future of forestry affects us all, for generations to come. The current situation demands action. This paper sets out how we intend to address this and they are:

Sustainability. Our timber supply is decreasing, and we need new ways to manage our forests. This includes sustainability of our old growth forests and protecting those important stands and ecosystems that support a wide range of plants and animals, and some species at risk.
\*Appendix A outlines this in more detail. B.C. will continue to be a world leader in providing sustainable forest products. We need forest policies able to adapt to an ever-changing environment.

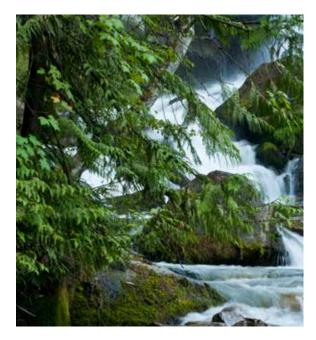
#### PAPER SCOPE

This intentions paper looks at who manages forests and how they do so. It seeks to describe how a stable forest sector — creating quality economic growth and good-paying, sustainable jobs — can also conserve forest stands in the public interest. We recognize these goals do not exist in isolation from one another. Our forests sequester carbon, filter drinking water, and nurture biodiversity for which we are recognized around the world. These are critical roles. They will always be fundamental to broader land management decisions.



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Climate change is one reason for devastating wildfires and the mountain pine beetle epidemic. Conservation requires further landuse protections. Policy changes are needed to enhance stewardship while addressing ecosystem health and resilience.



- Reconciliation. We need to increase economic and land management opportunities for Indigenous Peoples. Doing so aligns with the Declaration on the Rights of Indigenous Peoples Act and advances the well-being of Indigenous communities. It also reduces uncertainty and strengthens confidence in the industry.
- People and Communities. For decades, the forest sector has provided good-paying jobs supporting families in many B.C. communities. As these communities strive to become more resilient, we see an opportunity to work with them to better consider their interests.

Local access to fibre can support diversified manufacturing, focused on value rather than volume. Local communities should be engaged in discussions about wildfires, local employment, and sustainable management of the forests that surround us, nurture us, and provide us with bountiful resources.

- Competitiveness. Forest products are globally traded. They are desired for their lower carbon footprint, are produced sustainably in the province, and are verified by third-party forest certification organizations. We must continue to be competitive on the global stage, keeping in mind those who invest in B.C. and provide good-paying jobs.
- Fairness for British Columbians. The forests are owned by British Columbians. We need to ensure they receive fair returns on their asset.

Over the past few years, government has asked what should be done, and what should be considered. We have experienced the market for selling lumber at the bottom and the top of the cycle during the last few years. The cycle is responsible for changes in dialogue and perspective. We have solicited regional and provincial perspectives as we sought opinions on a new forest policy. Some discussions generated more robust ideas than others. We have listened carefully and now is the time to act.

This paper sets out our vision for a forest sector that is diverse, competitive, and focused on sustainability. It puts people first. It has been drafted with an understanding of the crucial necessity of working with Indigenous peoples. This is our plan to modernize forest policy in British Columbia. The steps we take in the months ahead, outlined here, are intended to achieve this vision.

## Vision for the future of the forest sector and our forests

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#### B.C.'S FORESTS ARE WOVEN INTO THE FABRIC OF OUR PROVINCE'S CULTURE.

They are where we live. They are where we play. They are where we work.

Forestry provides good-paying jobs for British Columbians. Forest companies spend billions on services, transportation and equipment provided by other B.C. companies. Despite a declining timber supply, following years of intense wildfires and mountain pine beetle devastation, as well as changing land-use interests on the coast, forestry remains a major economic sector, integral to people in communities across the province.

The wellbeing of the sector affects everyone in B.C. now and for generations to come. What we do next is important. The decisions taken to modernize forest policy need to reflect the interests of those involved in the sector today, as well as those who will have a role tomorrow. The vision set out here is the result of listening to many groups. Since 2017, our government has initiated several conversations. We have engaged Indigenous governing bodies, industry, local governments, labour, environmental groups, and the general public, seeking opinions on what forest management and the future of our forest sector should look like. These conversations have included meetings with organizations. We also conducted broader canvasses such as the Coast Forest Sector Revitalization and the Interior Forest Sector Renewal initiatives, the Forest and Range Practices Act Improvement Initiative and the Old Growth Strategic Review. Reviews of key issues for workers, such as contractor sustainability, have also informed our plan to support quality jobs into the future.



MODERNIZING FOREST POLICY IN B.C. Setting the Intention and Leading the Forest Sector

## Vision for the future

of the forest sector and our forests

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#### • HOW WE GOT HERE

The government has listened to many. We have talked to:

- Indigenous Peoples whose inherent rights are connected to their respective territories since time immemorial
- Forest companies of all sizes with worldclass know-how for harvesting timber
- Contractors of all kinds, from surveyors marking out a site, to road builders and harvesters, to tree planters starting the cycle anew
- Manufacturers making a living turning fibre into useful products
- Workers earning wages to support families
- Rural communities looking to grow, flourish and retain skilled workers, while benefiting from the ecosystem goods and services of the surrounding forests
- Environmental groups who want to ensure proper forest management and the protection of B.C.'s old growth forests
- The general public, who are affected by decisions on forest management, whether they work in the industry or not



All these groups share similar goals, despite their different roles. They see a future with greater opportunity for diverse groups to participate in the industry. A future where larger and smaller tenure holders have more than one economical place to sell their wood, and where fibre flows onto the market with a certainty of supply over time. A future where our forests are stewarded in environmentally sustainable ways. A future where there is clarity in the rules, and clear, predictable expectations on how to stay within them with strengthened compliance and enforcement. A future where Indigenous peoples are more involved than they are today.

Thanks to innovations, the industry can use more of each log in new, environmentally sustainable ways. Numerous lower-carbon footprint products have been created for many uses, from buildings to clothing to personal protective equipment. Companies have developed positive business partnerships directly with Indigenous peoples and with their support have increased their utilization of fibre, helping reduce wildfire risk to communities.

Government policy has also not evolved quickly enough to adapt to the impacts of climate change on our forests. Out-of-control wildfires affect us all, and smoke and ash impact human and ecosystem health. Tragically, homes and lives are lost. Wildfires are a natural part of forest ecosystems, yet decades ago we reduced their occurrence wherever possible with "no broadcast burning" and rapid-wildfire response. Wildfire suppression must now be accompanied by wildfire prevention and mitigation approaches and investments in the use of prescribed fire to help manage forests and reduce the risk of wildfire to communities. Building on our recent investments, such as the Community Resiliency and BC FireSmart programs, we must continue to work in collaboration with Indigenous partners, who have been using fire as a stewardship

## Vision for the future of the forest sector and our forests

tool since time immemorial, to integrate Indigenous knowledge and support the re-establishment of traditional burning practices.

An industry needing to mechanize and automate to remain competitive has resulted in steady job losses in forestry communities. These communities are vital to local and provincial economies and need to see themselves better reflected in forestry opportunities. In many cases, sawmills built at a time of higher fibre availability have closed. Surviving mills compete for scarce logs to avoid curtailment or permanent closure.

Despite the mill closures, hastened in 2019 when markets were weak, there is an overcapacity in B.C.'s traditional manufacturing facilities, such as sawmills and paper mills, relative to supply. B.C. needs to derive greater value from the timber we harvest and fibre we produce. While prices for many forest products are high today, they will inevitably fluctuate. We need a more diversified sector that goes beyond being more efficient within existing management models. To do so, an evolution is needed from a largely commodity-based sector to a more diversified one. This will involve creating innovative new products, in turn generating new opportunities to take those products to a global market. Each step in this process adds value and generates economic opportunities for British Columbians.

The forest sector must better reflect local and Indigenous values, complement and encourage higher-value products, and creates jobs in local communities.

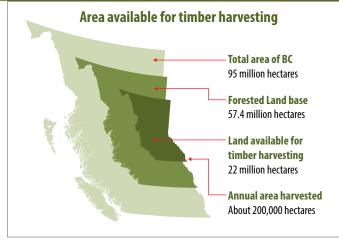


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# The Need for Fibre

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#### **BC CONTEXT**



**TENURE IS THE MECHANISM** by which companies gain access to Crown land with the intended goal being access to fibre (timber).

Ensuring clear, predictable access to fibre is key to maintaining investor confidence. Competitively priced fibre is the starting point in a supply chain leading to manufacturing, which can include traditional wood products like dimensional lumber and paper, as well as value-added products like mass timber, remanufactured goods and innovative bioeconomy products. By working with Indigenous peoples to ensure our forest sector incorporates their interests as rights holders, we also encourage investment by reducing uncertainty for the industry.

There is a pressing need to change the way we manage tenure. Of about 57.4 million hectares of forested land in B.C., half is either protected – meaning it cannot be harvested -- or restrictions are in place limiting harvest for numerous reasons. Other forests are uneconomical to manage, due to factors like geography and distance from the nearest mills. Only 36% of B.C.'s forests currently are considered both legal and economical to harvest. Almost all the available forests are already under tenure, which limits government's ability to attract new entrants into the industry.

Our mid- and long-term timber supply is declining due to several factors. The Interior's mid-term timber supply has been severely impacted by the *mountain pine beetle* infestation (1999-2015), as well as large wildfires in 2017 and 2018, which together burned approximately 7% of the provincial timber inventory.



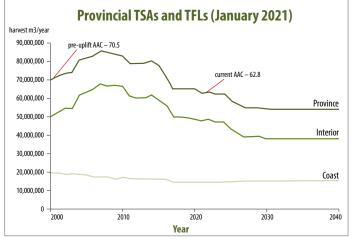
The Allowable Annual Cut (AAC) for Timber Supply Areas and Tree Farm Licensees was once as high as 85 million cubic meters (m3) per year at the height of the pine beetle salvage in 2007 but has since declined to 63 million m3 per year. It is anticipated to further decline to 56 million m3 by 2026.

On the coast, timber supply has changed to reflect important environmental priorities.

Non-timber forest values, such as protecting wildlife habitat and managing community watersheds, collaborative land use planning establishing protected areas, and ecosystem-based management in places like the Great Bear Rainforest, have all allowed B.C. to have an active forest sector while managing for biodiversity in a decentralized and distributed fashion across British Columbia.

We are committed to act on the 14 recommendations of A New Future for Old Forests: A Strategic Review of How British Columbia Manages for Old Forests Within its Ancient Ecosystems in collaboration with Indigenous leaders, labour, industry, and

#### Projected Harvest Forecast



environmental groups. A renewed old-growth strategy will balance the need to support and protect workers with the need for additional deferrals of oldgrowth to protect species at risk, key species habitat and enhancing biodiversity. B.C.'s fibre supply will likely see more reductions as a result.

British Columbians deserve a forest sector founded on today's values, where reconciliation is long lasting and meaningful, where communities can see and experience a stronger link between how their local forests are managed, and where manufacturers can better access fibre for their value-added facilities.



### Reconciliation

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**OUR GOVERNMENT** was elected with a clear mandate to make Indigenous reconciliation a priority. The 2019 *Declaration on the Rights of Indigenous People Act* (Declaration Act) created a path forward that respects the human rights of Indigenous peoples while introducing better transparency and predictability in the work we do together.

The purpose of the Declaration Act is to provide a process, over time, to work with Indigenous peoples to implement the United Nations Declaration on the Rights of Indigenous Peoples (UN Declaration). The intentions reflected here represent steps to ensure Indigenous peoples are meaningful partners in B.C.'s forest sector. This is not the end of the work. It is a step forward. We have much more to do in the years to come.

As the province works government-to-government with Indigenous governing bodies, interest in forest tenure and fibre is frequently expressed. Indigenous peoples want to play a greater role in the forest sector and in forest management. The province's ability to support this through existing legislation and policy tools is limited. Enabling the opportunity for shared decision-making agreements to be negotiated and implemented, government-to-government, will be part of this work.





**WE WILL FULFILL OUR VISION** for the future of the forest sector and our forests based on three principles we have heard repeatedly from partners, stakeholders and communities. We will also fulfill our commitment to collaborate and cooperate with Indigenous peoples by:

- 1. INCREASING FOREST SECTOR PARTICIPATION
- 2. ENHANCING STEWARDSHIP AND SUSTAINABILITY
- 3. STRENGTHENING THE SOCIAL CONTRACT



1. INCREASING FOREST SECTOR PARTICIPATION

We often hear that access to fibre on public land (via tenure) is a critical component to a successful business. Although some businesses operate successfully without forest tenure, purchasing fibre as they require it, we have heard more organizations want an opportunity to manage forest tenure. However, due to existing tenure commitments, and limited flexibility in the existing forest tenure framework, there is not much flexibility or room for new entrants in the forest sector. Many Indigenous communities have sought greater access to forest tenure in their traditional territories to create economic opportunities for their communities. They also want a greater say over forest activities occurring in their region, and those with forest tenure are managing complex social concerns from their community. Modernizing forest management will create opportunities for partnerships with Indigenous peoples, as well as providing predictability across the sector.

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One of our goals is to increase and diversify forest sector participation, to be accomplished over the next several years, to include:

- BC Timber Sales (BCTS) provincial allocation: BCTS will continue to ensure competitive market-based pricing for forest tenures. We will further strengthen the AAC assigned to BCTS. We will also look for additional opportunity to strengthen value-added forest manufacturing through their Category 2 registrant program.
- Indigenous Nations participation: Through government-to-government discussions that consider the inherent rights, range of interests and values expressed by Indigenous peoples, our goal is to increase the amount of replaceable forest tenure held by Indigenous peoples to 20% from the current level of approximately 10%. We are also mindful of separate efforts occurring within the formal treaty process, and through business partnerships and sales of tenure between Indigenous Nations and forest companies.

Increased community participation: As rural communities strive to define their economic future, the province will review tenure options to communities with a clear plan to manage local forests for forestry, keeping the fibre moving for manufacturing and keeping jobs within communities.

This is a multi-year vision and will not be accomplished overnight. It will be implemented over years, allowing for adjustments in the business cycle. In the end, tenure holders will gain increased clarity and predictability on future tenure decisions.

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#### **POLICY INTENTIONS:**

- Creating future tenure opportunities: Enhance the legal mechanisms to allow tenure to be redistributed for harvesting purposes, encouraging diversification in the forest sector. Reasons to redistribute tenure, connected to our goals, include:
  - As a component of an Indigenous Nation treaty or negotiated agreement;
  - Maintaining B.C.'s strong market-pricing system, through the BC Timber Sales program; and
  - As part of a community's vision for economic resilience and local employment.

#### Providing clarity on compensation: Establish a clear framework laying out where and under what circumstances compensation for lost harvesting rights will apply. Changes will be designed around the nature of the tenure agreement between government and the licensee to provide for a systematic and equitable approach in compensation calculations.

- **O Creating flexibility when forest licences need to be reduced:** The province employs a Chief Forester, who sets the sustainable harvest rate, the Annual Allowable Cut (AAC). In some situations, such as when the timber supply is decreasing, the Chief Forester will determine the AAC needs to be reduced to maintain a sustainable harvest rate. This means that the harvest volume allocated through licences in the area must be reduced to maintain a sustainable harvest rate. Current policy uses a proportionate reduction method where all tenure holders (excepting very small ones) experience a similar percentage decrease to their licence. However, this method does not allow for government to consider a number of important elements in our changing environment, such as the unique pressures faced by small operators, or Indigenous or other local community interests. Given this, we plan to introduce a more flexible approach.
- Revising tenure disposition considerations: Build on the success of 2019's Bill 22 in addressing tenure concentration and publicinterest considerations when a tenure transfer or change of control occurs. This could include a review of impacts of the transfer or change of control to the local economy, including the proposed changes to the regional wood manufacturing sector if a mill is indefinitely curtailed resulting from the proposed transaction, and the interests of local Indigenous peoples.



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#### Enhancing revenue oversight for log exports: When logs are exported off provincial lands, a fee-in-lieu of manufacturing domestically is charged. To better ensure the province receives these fees, we plan to add the ability to audit and assess fee-in-lieu of manufacture payments, like our ability to audit and assess stumpage payments.

Evolving BC Timber Sales (BCTS) policy for maximum sales restrictions: BCTS sells about 10-12 million m3 of Crown timber annually through competitive auction. This timber is available to businesses registered in the program. Current limitations to participating businesses limit any entity to holding no more than three timber sale licence (regardless of size) at any time. The system functions well with respect to its primary purpose (setting and establishing a competitive and market-based price for timber), but license holders are not all the same. (For example, an entity holding three timber sale licence of 5,000 m3 is treated the same as one holding three of 50,000 m3). The province will consider an alternate approach to allow for more sale opportunities at smaller volumes to smaller or value-added manufacturers.

These steps, taken over several years, will increase the tenure opportunities for Indigenous peoples and improve fibre access on the open market. The focus will be on supporting value-added manufacturers, including those producing remanufactured and engineered wood products, as well as emerging businesses using wood fibre in new, innovative products.

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Over a dozen forms of tenure have been developed over the years to allow access to timber. This diversity in tenures also reflects the needs and interests of tenure holders, whether they are large or small operators, Indigenous peoples, communities, or individuals. Many of the large forest tenures are replaceable (meaning they can be renewed), providing forest companies with a long-term supply of timber.

Regardless of the form of tenure, there is an expectation Crown land be managed sustainably. Many of the instruments that exist for forest managers were not envisioned at a time of declining timber supply and these need improvements to maximize the ability of the province to ensure harvest levels are sustainable on the ground.

It is not enough to rebalance tenure opportunities. We need to find ways to improve the use of fibre in the most sustainable, responsible, and transparent way possible. One way to do this is to fine tune existing tools that help direct harvest more evenly on the landscape. When the Chief Forester determines an AAC, it is based on the harvest of a forest profile (taking into account, for example, species, minimum volume, distance from mill, slope) and if not harvested to the intent of that profile, can make the AAC unsustainable over time. When a tenure is issued, the public has a reasonable expectation that it will be harvested. In some cases, licensees do not use the full AAC of their tenure. When this happens, it results in reduced economic activity and missed opportunities to benefit from the forest sector.

Tenure holders also need to demonstrate that the profiles expressed in the AAC are reflected in their harvest choices. Sound forest management provides the public confidence that the resource is being harvested and managed responsibly. Having the tools to take firm, decisive action when that social contract is broken is critical to moving industry toward a more sustainable future.



#### **POLICY INTENTIONS:**

• Committing to implementing further deferrals of old growth forests:

Government's vision to modernize forest policy complements the ongoing work implementing recommendations out of the strategic review A New Future for Old Forests. As a first step, in September 2020, we announced the harvesting deferral of 196,000 hectares of old growth in nine separate areas. To give context, this is equivalent to an area of approximately 480 Stanley Parks. In addition, government also enacted the Special Tree Protection Regulation, protecting up to 1,500 exceptionally large, individual trees. This important work will continue, and we are committed to engaging with Indigenous leaders, industry, labour, environmental groups and communities to further identify potential additional deferral areas. Appendix A provides more information on this important work.

- Continuing to improve the Forest and Range Practices Act: Our government initiated a multi-phased improvement initiative with the Forest and Range Practices Act in 2018. We engaged with interested Indigenous peoples to understand where they sought improvements and have been working on changes to our legislative framework since. The Forest and Range Practices Act ensures forest values are considered, managed and conserved; we have heard this is important to British Columbians and we intend to move forward with changes like the proposed tactical planning approach of 'Forest Landscape Plans' to better incorporate those values and ensure Indigenous peoples can be involved at the start of the forest planning process. We also plan to better link forest management with fire management through this work.
- **O** *Re-integrating prescribed and cultural* fire into forest management: Forests are a conservation resource and an economic resource, as well as a source of wildfire fuel. Climate change creates the conditions for more frequent and intense wildfires, including mega-wildfires like those triggering widespread evacuations. Wildfires have disrupted local economies and led to an unplanned loss of habitat, including old-growth forests. Fire is a natural process and important for ecosystem health and habitat value. The ministry will work in cooperation, coordination and collaboration with Indigenous partners and stakeholders to re-integrate prescribed and cultural fire as a core part of our forest management toolkit.

- Advancing apportionment: Apportionment is a discretionary decision on how the minister would like to divide the AAC in a Timber Supply Area (TSA) among the various tenure types. As government proceeds with rebalancing tenure opportunities, we will be looking to improve the apportionment process so that decisions can be made in a timely way which considers harvest sustainability, the interests of local Indigenous peoples and other stakeholders.
- Reviewing the cut control process: Current cut control requirements do not require a tenure holder to:
  - >> use all of their AAC;
  - access timber consistent with the intentions of the Chief Forester (including profile instructions for the types of timber harvested or partitions made to determine where harvest occurs); or
  - >> fulfill a licence's management plan.

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As a result, the intention of sustainable harvest within the AAC may not be realised as less-desirable parts of the AAC can be under-utilized in favour of higher value timber. Specifically, in B.C.'s interior, cut control "crediting" has been used for years to encourage the salvage of lower-quality fibre by not attributing for that harvesting to a tenure holder's AAC. This approach was helpful when salvaging timber damaged by the mountain pine beetle but does not address new challenges such as a declining mid-term timber supply. We plan to review how cut control is designed and implemented, so as to make improvements, such as encouraging tenure holders to utilize their AAC in a way that honours the intended harvest profile.

- Improving accountability in tenure management: Holding a tenure on Crown land puts the holder in a position of public trust. We see an opportunity to strengthen that accountability. Tenure holders employ various tenure management strategies to support their operations at both a cutting authorization level and tenure management level. Examples include licence subdivisions and consolidations. cut control attributions, licence extensions or cut block splitting at a permit level. Although these strategies are often used for legitimate forest management reasons, at times they may not be in the public interest. Our government intends to consider the tools available to decision makers in both monitoring and reporting on tenure agreements to ensure these strategies are employed in the public interest.
- Increasing discretion in authorizing activities: Currently, when statutory decision makers issue cutting permits or road permits (authorizations to harvest timber or build roads), they have minimal discretion to refuse a permit.

There are instances when a permit request submitted is in stark contrast to the public or Indigenous interests, but these decision makers have limited ability to do anything about it. We will explore options to provide discretion in authorization decisions based on important forest values, such as water, wildlife and Indigenous heritage. Decision makers need to be able to reject authorizations, or to approve an authorization with conditions, if there are concerns the permit could irreparably impair other forest values.

Supporting silviculture management and innovative investments: One way to maximize limited timber supply is to increase silviculture investments, helping stands grow back faster and healthier. Licensees are required to replant within a few years of harvest and steward these young trees until they reach a state of "free growing."The Province spends over \$20 million annually on additional silviculture enhancements beyond the "free growing" obligations of the tenure holders. However, investments are not monitored to ensure the resulting trees are harvested at an optimum time to take advantage of the investment. We will consider limits on timber harvest until provincial silviculture investments have optimized harvest opportunity in consideration of risk and other values. This can include activities like commercial thinning, or any innovative forest practices that may be advanced pursuant to recommendation 12 within the Old Growth Strategic Review report.

Together, these measures will lead to more sustainable harvest practices by establishing clear expectations for licensees, and better alignment with environmental and Indigenous stewardship values.



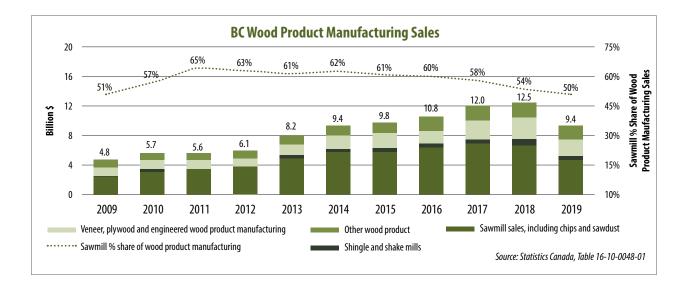
Ensuring a vibrant forest sector is not simply a matter of good processes around distribution and extraction. Supporting local communities by ensuring the growth of good jobs and long-term economic opportunities remains a key priority. It will make B.C. stronger in the years to come.

Forest products are a global commodity, though we must not focus solely on those dynamics while ignoring the economics of local communities. B.C.'s forest sector will continue to export billions of dollars of forest products into the global market; our government is committed to doing much more than that.

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We need to transition from a high-volume structure to one of high value. This does not mean abandoning our world-class lumber and pulp industry. It means supporting local manufacturing and taking steps to capture value at every step in the production chain. The goal is to ensure local communities, including Indigenous communities, have opportunities to benefit from the resources coming from their own backyards. B.C. will promote greater use of our wood products and encourage diversification in the industry. To do this, we need to maximize B.C.'s benefit in terms of jobs and value from our resources.

The value-added sector has enormous potential, and already has a firm foundation on which to build. Specialty wood products range from custom lumber and millwork, to finishing and siding, to cabinets and furniture, as well as musical instruments, mass timber in building construction, and new emerging bioproducts such as biomaterials, biochemicals, and bioplastics.



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Despite these opportunities, B.C. is not realizing the full value and potential for jobs from its forest resources, in part because the existing value-added sector in British Columbia cannot get access to the fibre supply it needs. In other words, innovative, B.C.based firms cannot get access to all the timber they could use to produce value-added goods.

Strengthening the social contract includes laying the foundations for good-paying jobs in B.C. that meet the needs of working families, while ensuring policy reform supports and protects those jobs through time. Many rural communities have experienced significant social and economic change in recent years. They still want to realize the economic benefit generated by forestry, in ways that recognize the values of local citizens.

#### **POLICY INTENTIONS:**

Modernizing tenure replaceability conditions: While licensees require certainty to make business decisions, we intend to ensure replaceable tenures demonstrate a clear commitment to sustainability and sound management. So-called evergreen tenures, which must by law be renewed, date back to the 1960s, when considerations around Indigenous partnerships, forest sustainability and climate change were very different. We will revisit the criteria and expectations for tenure replacement, which we expect to include licence performance on a range of public interest considerations as part of the replacement process. In essence, we are looking for holders of replaceable tenures to find creative ways to partner and grow the industry, inclusive of Indigenous interests, while maintaining the long-term stability industry needs to thrive.

- Increasing fibre access for value-added domestic manufacturers: In support of our vision to diversify manufacturing and increase value, we intend to:
  - Work with value-added sector representatives for traditional remanufacturing products, mass timber, and with new entrants on innovative (including bioeconomy) products to understand what and where the province can act to support competitive value-added businesses.
  - Advance a process to minimize the burning of slash piles created after timber harvesting, so this fibre is available for manufacturing, and that reduced emissions benefit our climate as part of CleanBC.
  - Develop a program for timber sales with a focus on the value-added sector.
- Promoting the use of wood and mass timber: The Wood First Act requires wood to be used as a primary building material in public sector buildings (with limited exemptions). Having a good sense of what "primary" means in practice has not yet occurred. We will be improving our legislative framework to ensure wood, mass timber and emerging biomass-based materials, such as biomaterials, are more clearly a priority in public buildings. This work will be promoted as part of B.C.'s mass timber action plan and CleanBC.
- Revising area-based tenure-specific pricing policy: Currently there is a disparity between stumpage rates applied to Woodlot Licences, Community Forest Agreements, and First Nation Woodland Licences issued to Indigenous communities. We will harmonize the rate structures, consistent with our market-based pricing system, while being mindful that smaller tenure ownership is impacted by economies of scale.

- Strengthening compliance and enforcement: The public has a right to know which licensees are fulfilling the public's trust, and which are not. When there are violations, penalties need to be sufficient that they act as a deterrent and not merely treated as the "price of doing business." We intend to reinforce our ability to address issues around poor practices and behaviour. This includes public reporting of infractions and reviewing existing fine and penalty amounts to ensure effective enforcement commensurate to the nature of the violation.
- **Protecting good jobs:** Forestry is not just about high-level, abstract concepts like tenure and timber harvesting rights. It is fundamentally about the workers and communities the sector supports. Due to the nature of the forest industry, tenure conditions can span many decades, but many of the people they employ are smaller contractors, truckers, and logging companies. Our government intends to complete the Contractor Sustainability Review with amendments to the Timber Harvesting Contract and Subcontract Regulation. These amendments will conclude the work done in collaboration with representatives of the forest contracting and large tenure-holder communities. It is important that hard-fought rights to wages and working conditions endure through time. We will also support the Ministry of Labour in advancing their Industrial Inquiry Commission as previously announced to review contract retendering in the forest sector, within the context of Indigenous interests reflected in this paper.

When combined, these measures will ensure that long range planning supports the aspirations of forest companies, workers, and communities.





### Conclusion

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WE RECOGNIZE that, taken together, these intentions represent significant change that is appropriate and necessary. While we expect to see immediate tangible improvements quickly, the full vision will not be realized overnight. By their nature, forests are a slow-growing, renewable resource. Forest management likewise takes place over multiple years, reflecting the nature of the resource it is designed to govern. However, just as having the right combination of soil nutrients, precipitation and sun ensures a healthy forest, so too will having the right management tools and vision ensure a diverse, sustainable forest sector for today and for generations to come.



# **Appendix A** – Actions to address old growth recommendations

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**GOVERNMENT'S VISION** to modernize forest policy complements its ongoing work to implement the independent panel's recommendations on old growth forests.

On Sept. 20, 2020, the Province announced it was taking a new, holistic approach to managing old growth, informed by the independent panel report, *A New Future for Old Forests*.

As a first step, B.C., in collaboration with Indigenous Nations, immediately deferred the harvesting of 196,000 hectares of old growth in nine areas. This is equivalent to roughly 480 Stanley Parks. Government also enacted the *Special Tree Protection Regulation* to protect up to 1,500 exceptionally large, individual trees and one hectare surrounding each tree.

The Province also committed to engaging with Indigenous leaders, environmental groups, labour, industry and communities to build a plan to protect B.C.'s ancient forests for future generations and this work is underway. Since Sept. 2020, government has taken the following actions:

As a first step government engaged with the First Nations Leadership Council to discuss the report and begin work on the approach for recommendation number one "engaging the full involvement of Indigenous Leaders and organizations to review the report and work with the Province on any subsequent policy or strategy development and implementation." Since the report's release, government has met with several Indigenous Nations and organizations to work together on recommendations and we will continue to reach out to more Nations.

- Building on the government's announcement in 2020 to defer 196,000 hectares of old-growth forests from harvesting, work is underway with Indigenous leaders and in consultation with stakeholders to identify potential additional deferral areas, to discuss land stewardship of these forests, and assess the potential economic impacts.
- More detailed information on the status of old growth conditions and trends and compliance with existing targets (recommendations five and seven) are in development through the *Forest and Range Evaluation Program*. More information will be released in the summer and autumn months of 2021. Regular updates and all available old growth information are online at: www.gov.bc.ca/oldgrowth
- Given the breadth and scope of the report, the province is recommending a phased approach to addressing the recommendations over the next two years. The diagram below illustrates recommendations numbered 1, 5, 6, and 7 under the heading "Immediate Measures". The center column titled "Elements Required for Change" outlines recommendations numbered 2, 4, 9, 13, 14 which set up a framework of key changes and policy shifts that support change. The third column titled "The New Old Growth Strategy" are recommendations numbered 3, 8, 10, 11, and 12 which are critical to implementing change.

#### Old Growth Strategic Review – The Path Forward

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#### MAY 2020 - ONGOING

#### **IMMEDIATE MEASURES**

» Deferral of old growth

» Better public data

standards

» Commitment to partnership with Indigenous Nations

at risk of irreversible loss

» Compliance with current

2021 – ONGOING

#### ELEMENTS REQUIRED TO SUPPORT CHANGE

- » Prioritize ecosystem health
- » More inclusive governance
- » Framework for setting and managing targets
- » Transition plans: local and provincial
- » Transition support for communities

#### 2023 – ONGOING

#### THE NEW OLD GROWTH STRATEGY

- » Three zone management
- » Funds for monitoring and evaluation
- » Updated biodiversity targets and guidance
- » Better inventory and classification
- » More innovative practices

Government's timeline and path to implementing all 14 recommendations in collaboration with Indigenous Nations, communities, and stakeholders (as seen above) can be found at: https://www2.gov. bc.ca/assets/gov/farming-natural-resources-andindustry/forestry/stewardship/old-growth-forests/ old\_growth\_path\_forward.pdf



#### FACTS ABOUT OLD GROWTH IN B.C.:

While the vast majority of old growth in B.C. – 10 million hectares – is protected or not economical to harvest, government is taking action to change current forest management practices in response to the Old Growth Strategic Review. These changes will better support the effective implementation or achievement of the stated and legislated public objectives for old forests.

- There are 13.7 million hectares of old growth in the province. This is equivalent to an area more than four times the size of Vancouver Island.
- Old growth makes up about 23% of B.C.'s forests
- Currently, only 27% of the old growth in BC is legal and economical to harvest.
- Characteristics of old growth can include tree species, tree age, tree size, surrounding forest structure, ecological function, and historical disturbance. While characteristics vary, oldgrowth forests tend to have more diverse plant and animal life than younger forests.
- Old-growth ecosystems support a wide range of plants and animals, from mosses and liverworts to large mammals and some species at risk. These forests also provide habitat for many birds, mammals, and amphibians.

- Many species at risk are found within old growth stands and much of this is already protected including:
  - Over 1 million hectares of old growth protected to support Northern Goshawk recovery
  - Over 400,000 hectares of old growth protected to support Marbled Murrelet recovery
  - Over 450,000 hectares of protected Spotted Owl habitat which includes over 147,000 hectares of old growth
  - Over 1 million hectares protected to support Fisher recovery
  - And over 6.5 million hectares of caribou habitat protected which includes 1.5 million hectares of old growth.





# Modernizing Forest Policy in British Columbia

Tackling today's challenges while preparing for tomorrow's opportunities



# Why we need to **modernize** old policy

### The Challenge

- Our forests are foundational to our economy and a way of life for British Columbians.
- Forestry faces serious challenges that threaten our forests and the future of many communities.
- B.C.'s forestry policy framework, put in place nearly two decades ago, is inadequate to address today's challenges.
- Future generations deserve to enjoy our forests and benefit from them. Now is the time to collectively make choices to improve forestry.

### **Our Goals**

- 1. Increase our emphasis on **sustainability** and **stewardship** of our fibre supply
- 2. Take meaningful action on **reconciliation** with Indigenous peoples
- 3. Increase inclusivity for **communities** interested in the forest sector and forest management, from tenure to local manufacturing
- 4. Continue to be **competitive** on the global stage, keeping in mind those who invest in B.C. and provide good-paying jobs
- 5. Ensuring British Columbians receive fair return on their assets

# Forestry today is **complex**

- Timber supply is decreasing because of wildfires, beetle salvage, and withdrawals from the timber-harvesting land base
- Sawmill overcapacity remains, while value-added and secondary manufacturing have not grown significantly
- Modernizing mills to stay competitive has led to a pattern of job losses in rural communities

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- Concentrated forest tenure holdings limit the province's ability to achieve its objectives
- The value of tenure is very high (4-7x more expensive than 2003)
- The Declaration Act requires us to advance policy change with Indigenous peoples. This means *consultation* and *cooperation*.



Government campaigned for a necessary transition in the forest sector

# Our plan is based on what we've heard

- BC's government has been asking what forest management and the future of the sector should look like since 2017. We have talked to:
  - Indigenous governing bodies
  - Local government
  - Industry
  - Labour
  - Interest groups including ENGOs
  - General public
- On:
  - <u>Coast Forest Sector Revitalization</u>
  - Interior Forest Sector Renewal
  - *Forest and Range Practices Act* Improvement Initiative
  - Old Growth Strategic Review

# Laying the Foundation for Change

# **Our guiding principles**







- 1. Increasing participation in the forest sector
- 2. Enhancing stewardship and sustainability
- **3. Strengthening** the social contract

## **Goals: Increasing Forest Sector Participation**

- Increased Indigenous participation
- BC Timber Sales timber allocation needs to support market pricing, and value-added manufacturing
- Increased community participation

## Policy intention #1 – Create more opportunity re-distribute forest tenure

- Enhance legal mechanisms to allow tenure to be redistributed for harvesting
- Diversify ownership and involvement

## Policy intention #2 – **Provide clarity on compensation**

- Establish a clear framework for applying compensation for lost harvesting rights
- Systematic and equitable approach in compensation calculations



# Policy intention #3 – Create flexibility when forest licences need to be reduced

• Introduce a more flexible (not proportionate) approach to how licences are reduced if the timber supply is being reduced (e.g. from a tenure taking)

# Policy intention #4 – Further define timber tenure transfer requirements (Bill 22)

 Address tenure concentration and public-interest considerations when transfers or control changes happen

# Policy intention #5 – Enhance revenue oversight for log exports

 Add the ability to audit and assess fee-in-lieu of manufacture payments when logs are exported out of province

# Policy intention #6 – Evolve BC Timber Sales (BCTS) policy on maximum timber sales restrictions

• Consider an alternate approach to allow for more sale opportunities at smaller volumes to smaller or value-added manufacturers



# **Goals: Enhancing stewardship and sustainability**

- Public land must be managed sustainably, and this includes our old growth forests
- Improve the use of fibre sustainably, responsibly, and transparent



## Policy intention #7 – Commit to implementing further deferrals of old growth forests

 Continue to engage with Indigenous leaders, labour, industry and environmental groups to further identify potential additional deferral areas

MMEDIATE MEASURES	2021 – ONGOING	
» Commitment to partnership with Indigenous Nations	ELEMENTS REQUIRED TO SUPPORT CHANGE	2023 – ONGOING
<ul> <li>» Deferral of old growth at risk of irreversible loss</li> <li>» Better public data</li> <li>» Compliance with current standards</li> </ul>	<ul> <li>» Prioritize ecosystem health</li> <li>» More inclusive governance</li> <li>» Framework for setting and managing targets</li> <li>» Transition plans: local and provincial</li> <li>» Transition support for communities</li> </ul>	<ul> <li>THE NEW OLD GROWTH STRATEGY</li> <li>Three zone management</li> <li>Funds for monitoring and evaluation</li> <li>Updated biodiversity targets and guidance</li> <li>Better inventory and classifica- tion</li> <li>More innovative practices</li> </ul>



## Policy intention #8 – **Continue to improve FRPA**

- Move forward with changes to the Forest and Range Practices Act (FRPA) to better incorporate forest values and ensure Indigenous peoples are involved at the start of the process
- Better link forest management with fire management

## Policy intention #9 – Bring back the use of prescribed and cultural fire

• Work collaboratively with Indigenous partners and stakeholders to re-integrate prescribed and cultural fire in forest management.

## Policy intention #10 – More flexibility in how the Minister allocates timber

 Look to improve the 'apportionment' process so decisions can be made in a timely way while considering harvest sustainability, as well as the interests of local Indigenous peoples and other stakeholders



# Policy intention #11 – Modernize rules for tracking and administering timber harvest

• Review how 'cut control' is designed and implemented

## Policy intention #12 – Improve accountability in tenure management

 Consider the tools available to decision makers to ensure these strategies are employed in the public interest



# Policy intention #13 – Strengthen government discretion for decisions involving harvesting and road construction

 Explore options to provide more discretion in authorization decisions based on important forest values

## Policy intention #14 – Strengthen government's ability to ensure silviculture and innovation investments are realized

 Consider limits on timber harvest until provincial silviculture investments have optimized harvest opportunity

# Supporting our communities, long term



- Ensure the growth of good jobs and long-term opportunities remain a priority
- Transition from high-volume to high-value
- Ensure all communities have an opportunity to benefit from their local forests
- Encourage diversification in higher value manufacturing

# Supporting our communities, **long term**

### Policy intention #15 – Modernize forest tenure replacement requirements

- Revisit the criteria and expectations for tenure replacement
- Look for holders of replaceable tenures to find creative ways to partner and grow the industry

# Policy intention #16 – Increase fibre access for higher value domestic manufacturers

- Work with value-added sector reps to understand how the Province can support competitive value-added businesses
- Advance a process to minimize the burning of slash piles
- Develop a timber sales program with a focus on the value-added sector

# Supporting our communities, **long term**

### Policy intention #17 – Promote the use of wood and mass timber

 Improve our legislative framework to ensure wood, mass timber and emerging biomass-based materials are more clearly a priority in public buildings

# Policy intention #18 – Revise area-based forest tenure-specific pricing policy

• Harmonize the rate structures, consistent with our market-based pricing system, while being mindful that smaller tenure ownership is impacted by economies of scale

## Supporting our communities, **long term**

### Policy intention #19 – Strengthen compliance and enforcement

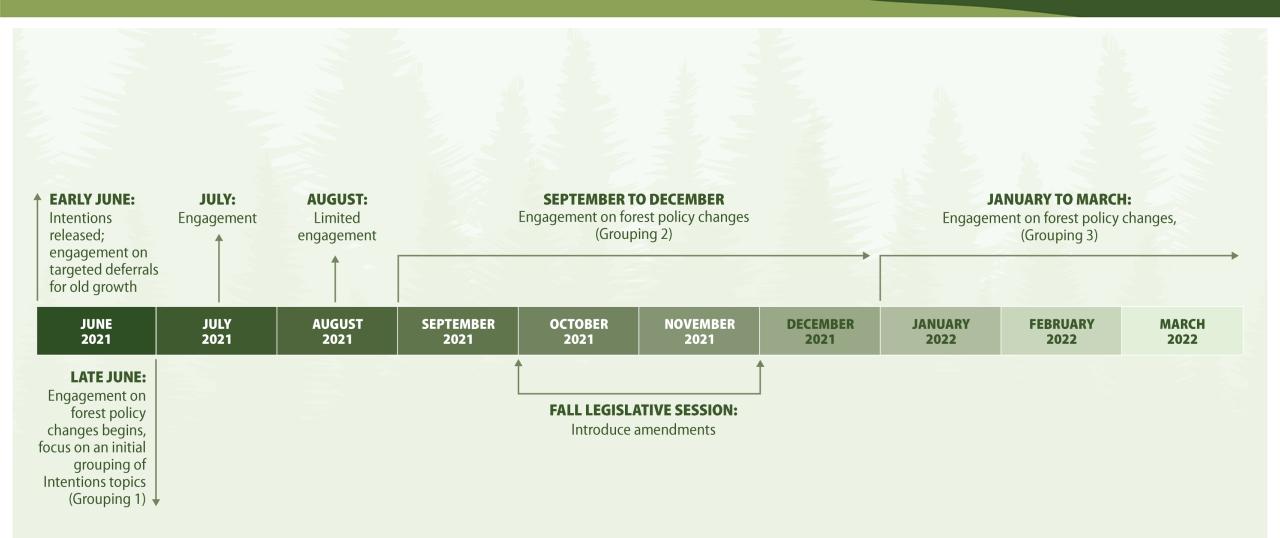
 Reinforce our ability to address issues around poor practices and behaviour, including public reporting of infractions and reviewing existing fine and penalty amounts

### Policy intention #20 – Protect good jobs

- Complete the Contractor Sustainability Review with amendments to the Timber Harvesting Contract and Subcontract Regulation
- Support the Ministry of Labour in advancing their Industrial Inquiry Commission

# Modernizing Forest Policy: First year at a glance

In consultation and cooperation with Indigenous peoples and governing bodies



# Thank You - Questions



From:	Robertson, Linda G FLNR:EX	
Cc:	Oliemans, Fred IRR:EX; Ciruna, Kristine FLNR:EX	
Subject:	[EXTERNAL]: Regional Roundtable	
Date:	October 26, 2021 2:22:22 PM	
Attachments:	Final Stakeholders Needs Assessment Project.pdf	

### CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or on clicking links from unknown senders.

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Dear local government representatives,

On behalf of the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) and the Ministry of Indigenous Relations and Reconciliation (MIRR) Skeena regional, I am pleased to share the Skeena Region Stakeholder Needs Assessment final report which your organization took part in last winter.

The assessment confirmed that local governments and stakeholders would like better information and engagement by the Province on Indigenous reconciliation and related natural resource management initiatives in the region. To improve communications and build relationships, the assessment recommended that the Province provide local governments and stakeholders with a "one window stop" for information on reconciliation and related lands and resource initiatives in the region. The complete findings and recommendations are detailed in the attached report.

In response to the report's findings, plans are now underway to design and launch a Skeena regional 'roundtable' on land & resource initiatives in the region. We're currently working to retain a consultant to assist us in getting a roundtable designed and up and running over the next few months. We will be in touch again later this fall to discuss your potential involvement in the forums' design, as well as answer questions you may have.

We value your input into this process and look forward connecting with you soon.

Linda Robertson (she/her) Director, Strategic Initiatives | Skeena Region Ministry of Forests, Lands, Natural Resource Operations & Rural Development Cell: 250-877-2540 <u>Linda.Robertson@gov.bc.ca</u>

*Grateful to be living and working on the traditional territory of the Wet'suwet'en.* 



### Stakeholder Engagement Needs Assessment for Indigenous Reconciliation Initiatives – Skeena Region

Submitted to Ministry of Forests, Lands, and Natural Resource Development

March 2021



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#### **Executive Summary**

This report is submitted to the Ministry of Forests, Lands, Natural Resource Operations and Rural Development (FLNRORD) by Harris Palmer Ltd. (Harris Palmer).

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The purpose of the report is threefold:

- 1) To identify a list of local governments and stakeholders in the Skeena region, specifically along the Highway 16 corridor between Burns Lake and Prince Rupert.
- 2) To ascertain the level of knowledge about Indigenous reconciliation initiatives among local governments and stakeholders, and assess engagement needs.
- 3) To outline options for engagement with local governments and stakeholders on Indigenous reconciliation initiatives in the Skeena region.

#### Local Government & Stakeholder List:

Forty-one (41) local governments and stakeholders have been identified along the Highway 16 corridor between Burns Lake and Prince Rupert as having a potential interest in Indigenous reconciliation initiatives being undertaken by the Province in the region. This includes fourteen local governments, six forest tenure holders, five Chambers of Commerce, three environmental organizations, and nine backcountry/other associations (attached as Appendix A).

During February 2021, Harris Palmer interviewed thirty-seven of the forty-one groups identified in a series of ten small-group remote interview sessions. Participants were asked to share their knowledge of Indigenous reconciliation initiatives, talk about whether and how they had been engaged by the Province on those initiatives, and how they would like to be engaged going forward.

#### Findings:

There were a number of consistent themes that emerged during discussions with local governments and stakeholders. These can be summarized as follows:





- Local governments and stakeholders do not feel engaged or knowledgeable about Indigenous reconciliation initiatives in the region. While they overwhelmingly support the concept of reconciliation, they feel as though the lack of information and engagement about reconciliation initiatives is creating divides within communities, leading to rumours, misinformation, and stoking racist sentiment.
- Local governments and stakeholders are not confident that their interests are being represented in the reconciliation discussions between the Province and Indigenous Nations, and they have serious concerns about how reconciliation agreements will be implemented.
- Many groups feel that provincial reconciliation negotiations have slowed down and in some cases halted – local relationship-building because Indigenous Nations are overly focused on their relationship with the Province at the expense of local issues.
- There is limited understanding on what is included in Indigenous reconciliation initiatives, and how they might differ from treaty negotiations.
- There is a lack of clarity on whether reconciliation agreements will represent any sort of final agreement with Indigenous Nations or are simply a rolling set of commitments with no particular 'end game' in sight.
- There is an overwhelming sense that true reconciliation cannot be achieved unless everyone is included and 'brought along' in the process, and agreement that this is not currently happening.
- Previous processes such as the Land and Resource Management Plans (LRMPs) and some of the mid-coast land use planning processes were cited by a few participants as examples of effective multi-party engagement processes that allowed for information-sharing and broad discussion of regional interests. A few participants also mentioned recent engagement on Wet'suwet'en discussions as one example of more meaningful engagement.



Based on the interviews conducted for this report, some sort of engagement and information-sharing process will need to be established in order to mitigate any further erosion of local community support around Indigenous reconciliation initiatives. Two options are proposed:

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- Option One would see the establishment of 2-3 stakeholder-led 'Community Advisory Boards' (CAB) in the Skeena region. The CAB's would be organized geographically (e.g. along similar boundaries of the three Regional Districts, or Indigenous territorial groupings), and would be multi-party forums self-managed by members and funded by the Province. The purpose of the CAB's would be primarily to provide a forum for two-way information-sharing between the Province and local governments/stakeholders. A CAB process would minimize misinformation, facilitate a smoother implementation of reconciliation agreements, and ultimately increase support for agreements.
- Option Two would establish 2-3 Roundtables that would be driven and managed by the Province. The Roundtables would be similar in scope to the CAB's, but the Province would set the agenda, establish the process, and manage the meetings.

Both Options would provide local governments and stakeholders with a 'one-window stop' for information into Indigenous reconciliation initiatives in the region. This would help address any resourcing issues and enable the groups to discuss common issues among a range of tables.

The Province may also want to consider resourcing the establishment of 'tenure -specific' side tables that would allow for some high-level technical discussions around the transfer of tenure in the region. Tenure transfers create a high level of anxiety among stakeholders and local governments primarily because there is limited insight into how the transfer of tenures will be implemented without significantly disrupting existing economic, community and social interests. Establishing side -tables to work through some of the implementation issues and concerns would be helpful.

Finally, the Province may want to consider resourcing Regional Districts to acquire some level of expertise around Indigenous relations that would allow them to fully participate in reconciliation discussions.



#### 1. Introduction:

This report summarizes a series of meetings that were held with local governments and stakeholders along the Highway 16 corridor between Burns Lake and Prince Rupert in February 2021 regarding Indigenous reconciliation initiatives in the region.

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The purpose of the meetings was to assist the Province in understanding how local governments and stakeholders prefer to be engaged on Indigenous reconciliation initiatives, and to gather information about the level of knowledge and understanding of those initiatives and where gaps in information may exist.

In total, thirty-seven (37) local governments and stakeholders were interviewed. These included municipalities and regional districts, forest tenure holders, mining tenure holders, environmental organizations, backcountry associations/other (guide outfitters, cattleman associations, wildlife organizations), and local Chambers of Commerce (Appendix A provides a full list of organizations interviewed).

#### Methodology:

In advance of interviews with local governments and stakeholders, letters from FLNRORD were sent to each organization introducing the project and providing notice that they would be contacted for an interview. Following the introductory letter, Harris Palmer contacted each group and scheduled remote interview sessions.

Interviews were conducted in ten small group sessions:

- Fourteen (14) Local governments and regional districts were interviewed in one of four sessions;
- Six (6) forest tenure holders were interviewed in two session;
- Five (5) Chambers of Commerce were interviewed in one session; and
- Twelve (12) environmental organizations, guide outfitters, and others were interviewed in one of three sessions.



Each session lasted between 1.5-2.5 hours. Participants were asked a series of questions in three key areas:

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- Level of Awareness: participants were asked about their level of awareness of Indigenous reconciliation initiatives (both existing and in-negotiation) in the region (those involving the Province of BC) and about their understanding of existing local and stakeholder engagement processes regarding those initiatives.
- Areas of Interest/Concern: participants were asked to share any concerns regarding Indigenous reconciliation initiatives, to talk about any gaps in their knowledge that may exist, and to discuss what may have worked in previous engagement processes.
- Way Forward: participants were asked to talk about how they prefer to be engaged by the Province on Indigenous reconciliation initiatives going forward.

Overall, the interviews were conducted to elicit both factual information (e.g. are you aware of Indigenous reconciliation initiatives in your region? Have you been engaged on those initiatives?) as well as contextual, qualitative information about how they have been engaged to date, and about their 'feelings' around Indigenous reconciliation agreements in general (e.g. what are some of your concerns about how you have been engaged to date? What has worked in previous engagement sessions? What are some of your concerns with reconciliation agreements?).

A list of questions for the interviews is included as Appendix B. It should be noted, however, that these questions were used as a guide only, and that the sessions were designed to encourage a dialogue between participants, and so questions were not necessarily asked and answered in any specific order or in any strictly enforced way. It should also be noted that for the most part, the substance of specific reconciliation initiatives was not discussed during the interviews. This was done deliberately to ensure that discussions remained focused on process, rather than content.

#### <u>A Note on Terminology:</u>

Throughout this report, the terms "Indigenous reconciliation initiatives", "reconciliation initiatives", and "reconciliation agreements" are used interchangeably to refer to the range of agreements that the Province has been negotiating with Indigenous Nations throughout the Skeena region. These initiatives



typically either encompass a broad range of issues and/or include a significant land, economic, or governance component. The terms "Indigenous Nation" and "Indigenous community" are also used interchangeably to refer to both elected and hereditary Indigenous governments that the Province is negotiating reconciliation agreements with in the region.

#### 2. Overall Observations:

The groups interviewed for this report represented a wide range of interests – local governments, environmental groups, business representatives, tenure holders, and recreational users. Despite this diversity of interests, there were several common themes that emerged in all of the discussions. These can be summarized in the following seven points:

### 1. There is general support for Indigenous reconciliation, but the lack of information and process is creating confusion, frustration, and potential opposition:

As an overall observation, all of the groups that participated in interviews expressed general support for reconciliation initiatives with Indigenous communities. However, there was much less support – if any –for how engagement has been carried out to date, and very little knowledge of, or confidence in, the content of any resulting agreements.

Because of lack of information and participation in any process related to reconciliation initiatives, local governments and stakeholders said that they are more focused on how to minimize perceived potential negative impacts rather than positive outcomes. No one interviewed expressed a particularly positive interpretation of the reconciliation

initiatives – no one is anticipating or planning around how to use the agreements to create certainty, improve racial harmony, attract investment or improve the quality of life of people in the area, for example. Instead, the narrative has become negative as there is an overall sense of government doing something 'to us' rather than 'with us'.

"The lack of information and over-speculation is radicalizing people in the communities."

"The process itself is stoking racial discontent in the community, not easing it."





Many participants expressed a feeling of helplessness and the sense that they were on the outside looking in, being left to 'pick up the pieces' once agreements are concluded. They feel marginalized, and that they have been disempowered in order to empower another group. No one felt that real reconciliation could be achieved this way.

*"We are disempowered and becoming the new 'Indigenous'."* 

#### 2. There is confusion about what reconciliation agreements are, and what they include :

There is significant confusion about several foundational issues related to Indigenous reconciliation initiatives. Specifically:

- There is little to no understanding of how reconciliation agreements differ from treaties, or how the negotiations differ.
- There is little to no knowledge of what is being discussed at the reconciliation tables is it land? Resources? Other?
- There is no clear understanding of how Indigenous groups are represented, and there is confusion about hereditary versus elected groups.
- There is no clear understanding of how the Province organizes itself in the reconciliation negotiations, and what Ministry is responsible for what topic area.

#### 3. There is confusion about what the Province is trying to achieve:

Many participants said that they have felt 'victimized' by the lack of process and information-sharing around reconciliation agreements, and that they were confused about what the Province was ultimately trying to achieve through these initiatives. Some said that the Province needed to take more time to envision solutions first and then commence negotiations with an 'end-game' in mind. "If the objective of reconciliation is to create certainty, this is doing the exact opposite as there doesn't seem to be an end-game."



#### "It takes longer to get a cutting permit than the government is giving themselves to finalize these agreements, and a cutting permit process is well defined and a lot less complicated."

#### 4. The Province is trying to negotiate agreements too quickly:

There was general agreement that the speed by which BC was trying to conclude reconciliation agreements was too fast, and did not appropriately reflect the complexity of issues being negotiated. There is a perception that the Province's agenda is tied to time over quality – that the Province's priorities are focused on concluding agreements quickly rather than taking the time necessary to make sure they are foundationally strong.

#### 5. When there has been engagement, it has generally been inadequate:

A number of groups interviewed said that the most common way they hear about a reconciliation agreement between the Province and an Indigenous community is when they are invited to a signing ceremony – it is at this point they find out what is in the agreement. This puts them in what they feel is an impossible position because they are forced to accept an outcome without any input, while also being responsible – at least in part – for the smooth implementation of the agreement.

When there has been engagement in the process of reconciliation agreements, participants said that involvement has, for the most part, not been meaningful, and has instead been limited only to listening ("being told how it is").

Some examples of previous engagement processes that were viewed favourably by participants include engagement related to the negotiation of the Nisga'a Treaty, the former Land Resource Management Plan (LRMP) processes, and mid-coast land use planning processes. Some participants also referred favourably to recent engagement related to the Wet'suw et'en discussions as an example of a more meaningful process.

#### 6. Information about reconciliation initiatives does not come from the Province :

Many groups indicated that their level of awareness of Indigenous reconciliation initiatives has not come directly from government, but instead from general public sources and from dialogue with

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community members and Indigenous Nations. This was deemed inappropriate as well as ineffective, as community members and groups have been forced to conjecture what is and is not included in agreements.

7. The process by which the Province is negotiating reconciliation agreements is hindering progress that local groups are trying to make around reconciliation:

Almost all of the participants said that the way the Province is pursuing reconciliation agreements with Indigenous communities is not helping – and in fact is hindering – their own efforts in building relationships. Several groups said that their own relationship building activities have been put on a full hold by Indigenous communities – or are even moving backwards – because Indigenous Nation are only interested in their relationship with the Province.

#### 3. Group-Specific Feedback:

This section summarizes some group-specific feedback that was provided during the interviews by local governments, the forestry sector, backcountry associations, environmental organizations, and Chambers of Commerce.

#### Local Governments:

Generally, there was agreement among local governments that the main issues they have with respect to Indigenous reconciliation initiatives lie in two key areas: lack of information, and lack of process.

With a lack of information, local governments said that they are left to speculate on what is being discussed at reconciliation tables. This has created a high degree of anxiety, which in some cases has morphed into anger, which has in turn stoked racial discord as people start to see reconciliation as creating winners and losers.

Local governments also shared that they have little confidence that provincial negotiators are reflecting or considering local government interests/issues at the negotiation table. This lack of confidence



exacerbates the sense of uncertainty and nervousness around outcomes and impacts on community plans, local economies, tax bases, etc.

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Specifically, there was discussion that the potential transfer of land within municipalities could create "donuts and holes" in the community, and there is nervousness on what that might mean to municipal services, zoning, regulatory regimes, etc. It is the transition and implementation of these agreements that causes most of the stress, and the absence of any sense of what the agreements look like only magnifies the anxiety and uncertainty

Another common theme that emerged in discussions with local governments was the issue of capacity. Many participants observed that while others (federal and provincial governments, industry, etc) have increased their capacity and expertise in Indigenous relations, generally local governments have not. This lack of capacity limits the ability of local governments to fully engage in the 'reset' of relations with Indigenous Nations, and leaves them unable to have informed and meaningful input on complex initiatives with Indigenous communities.

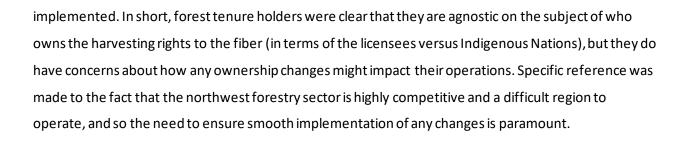
Forest Tenure Holders:

The unique issues that were raised by forest tenure holders during the interviews were threefold.

First, there is a sense that licensees are being displaced in the reconciliation conversations, and that the Crown is using their tenure as a form of currency without any regard for potential impacts. Licensees shared that they feel as though they have been a partner with the Crown bound through the tenure agreements and in the stewardship and management of forest resources, and that this is not reflected in the transactional way tenure is now being used in reconciliation discussions. "Reconciliation should be a very deep and far-reaching but now seems to be relegated to a transactional process and the province seems more interested in what it looks like than it what it really is."

Second, while there was – as with the other groups interviewed – overall support for the broad objectives around reconciliation agreements, there was concern about those agreements will be





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Finally, and perhaps because of the unique nature of the forest industry in the northwest, participants expressed a lack of confidence in the ability of provincial negotiators to reach 'workable' agreements, particularly because of the complete absence of any involvement in those negotiations from the forest sector. Participants were clear that they were not vying for a place at the negotiation table, but did feel that they could add value to the process, both during negotiations and implementation.

Backcountry Associations:

Some of the specific comments received from backcountry associations (guide outfitters, cattlemen association, and wildlife organizations) included:

- Feeling that any input they provide into reconciliation negotiations are not taken seriously.
- Concerns regarding the potential loss of access to public lands as a result of new land designations or transfers.
- Risks to the loss of range access or ALR lands.
- Potential financial implications from reconciliation that could be fatal to small businesses.
- Concerns that negotiations are undertaken by people who do not have a vested interest in the area, and whose objectives are to conclude an agreement not put in place a relationship.
- Lack of understanding about the 'end-game' and what reconciliation initiatives were trying to achieve

"Victoria based interests come into the region, negotiate the agreement, get to go home and we are left to pick up the pieces."

"The northwest forest sector is highly competitive and specialized. If licensees lose, so will First Nations."



Environmental Organizations:

Of all the groups interviewed, environmental organizations had a greater awareness of the different discussions that were going on between BC and Indigenous communities, but equally share d a lack of

knowledge on what was being discussed or where those talks were going. As a result, they expressed a high level of concern on the trustworthiness of government.

Environmental organizations expressed very little confidence that the government acts in the interests of the public, as the public is the one group not involved in any discussions. They were also clear to point out that various interests need to be heard at these tables, including industry.

The negotiation of the Nisga'a Treaty, LRMP's, and mid-coast land use agreements were pointed to as examples of previous successful multi-party engagement processes.

Business Associations:

Chambers of Commerce have not typically been involved in consultation processes in the past and generally do not see that as their role today. They were very supportive of the Province concluding reconciliation agreements with Indigenous Nations, but were keenly aware that the absence of information was creating anxiety with the membership, and that there were concerns over the impacts of reconciliation agreements on the local economy, mainly tied to the resource sector.

#### 4. Options for Engagement:

It is clear that local governments and stakeholders in the Skeena region do not feel adequately engaged by the Province on Indigenous reconciliation initiatives in the area. In fact, for the most part, they do not feel engaged at all, nor do they feel they've been provided even basic information about reconciliation

*"We find out the impact only after the process is finished, which fuels racism."* 

"Government believes that putting a document on a website constitutes engagement."



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initiatives – such as what they are for, what they include, who is negotiating them, where and when they will end, or how they will be implemented.

In order to address the issues that the lack of engagement and information-sharing has created (feelings of marginalization, mistrust, anger, confusion, frustration) – and to mitigate the inevitable opposition that will result – the following two options are offered as potential engagement processes for the Province to implement in the Skeena region. Both Options would provide local governments and stakeholders with a 'one-window stop' for information into Indigenous reconciliation initiatives in the region. This would help address any resourcing issues and enable the groups to discuss common issues among a range of tables.

### Option 1 – Establish three Stakeholder Driven 'Community Advisory Board (CAB)' tables across the Highway 16 corridor.

- A CAB would be a stakeholder/local government-driven forum that would allow for two-way information sharing. It would be the point of contact for all reconciliation agreements within its defined geographic boundaries.
- The purpose of the CAB would be: to educate groups on the reconciliation process, to promote the positive attributes and value of reconciliation, to present strategies and tactics for implementation, and to allow groups to ask questions and provide observations on specific concerns.
- Examples of information that could be shared include at the CAB include:
  - Information on 'why' reconciliation agreements are being negotiated.
  - Context on how reconciliation can result in practical, real benefits to the community.
  - Information on how reconciliation agreements might be implemented, and how local governments and stakeholders may fit into that.
  - Information on how the Province will keep communities/businesses whole and ensure they are not detrimentally impacted.
  - Information about the Indigenous Nations that the Province is negotiating with, and how they will work with communities once reconciliation agreements are signed.

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- Members of the CAB would consist of a full range of local governments and stakeholders, similar to the range of interests interviewed for this report. Once an initial table is established, participants could decide whether additional participants should be invited.
- The Chair and Executive of the CAB would manage Main-Table activities, meeting schedule, and agenda, and would be appointed by members. The Province would supply administration, communication and operations support to the CAB.
- The CAB could be organized into a 'Main Table' and Topic Specific sub-tables as required.
  - The Main Table sessions would be the place for discussion on topics common to all reconciliation negotiations.
  - Topic Specific Sub-Committees would be established as required to deal with specific topics (e.g. land transfers within municipal boundaries, tenure transfers, land designations etc.), and report back to the main CAB table.
- CAB boundaries could be established along Regional District lines (North Coast, Kitimat-Stikine, Bulkley-Stikine) or through traditional territorial boundaries (e.g. Tsimshian territory, Gitxsan -Wet'suwet'en territory, Carrier territory). If the preference was for two tables, they could be divided geographically (possibly from Prince Rupert to Hazelton in the west, and Hazelton to Burns Lake in the east) although there may be a need to overlap the tables at times depending on the issues.

#### Benefits (Pros) of Establishing a CAB:

- Community-driven.
- Participants 'own' the process.
- Supports information-sharing.
- Encourages understanding of issues, reduces risk of backlash.
- Provides a forum for topic-specific issues (tenure transfers).
- May improve outcomes at reconciliation tables. Minimize risk of misinformation and rumours.
- May lead to smoother implementation of reconciliation initiatives.

• Minimizes the number of meetings local governments and stakeholders have to attend to stay informed of reconciliation initiatives in their area.

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#### Risks (Cons) of Establishing a CAB:

- Will require provincial resources.
- May take a few sessions for participant-driven governance structure to be established.
- Province will not control the agenda.
- Will need to manage messaging to Indigenous Nations about the process.

#### Option 2 - Establish three Provincial Roundtables across the Highway 16 corridor.

In this option, the boundaries, composition, and purpose of the Roundtable would be the same as Option 1, but instead of being managed by the stakeholders and local governments, the Roundtables would be completely managed by the Province. The Province would set agenda, manage membership, identify subcommittees, and control information-sharing.

#### Pros of Establishing a Roundtable:

- Provides a forum for information-sharing.
- Encourages understanding of issues, reduces risk of backlash.
- May improve outcomes at reconciliation tables.
- May lead to smoother implementation of reconciliation initiatives.
- Province controls agenda.
- Minimizes the number of meetings local governments and stakeholders have to attend to stay informed of reconciliation initiatives in their area.

#### Cons of Establishing a Roundtable:

- Process will be seen as 'owned' by the Province, not by members.
- The Province will 'wear' any outcomes.



- May be more difficult to secure support for process.
- May be seen as a provincial communication tool (political).
- Will require provincial resources.
- Will need to manage messaging to Indigenous Nations about the process.

#### Additional Considerations:

In addition to establishing either a stakeholder/local government-driven CAB, or provincial-driven Roundtable process, the Province may want to also consider implementing the following engagement approaches in the Skeena region:

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#### 1. Establish a 'tenure-specific' table as a sub-group to each CAB or Roundtable:

Given that perceived impacts of tenure transfers on the continuity of commercial activities is a main contributor to the tensions and anxiety in many of the other stakeholder groups, a specific table for tenure holders might be helpful.

The purpose of a tenure-specific table would be to solicit general transitional strategies, tactics, and/or practices where the Province is considering tenure transfers. The table would not discuss details around specific tenure transfers, but could be a technical group with a focus is on developing a set of practices or conditions that might be incorporated into an agreement with an Indigenous community, and that could help develop an implementation/transition plan to ensure a smooth transfer of tenure (e.g. timelines, phasing-in conditions). This would likely minimize any disruptions to current activities and relationships, and also lays the groundwork for groups to start visualize the upside to reconciliation agreements. Tenure holders generally operate as competitors not collaborators and will always represent their self-interest. But as most have already recognized that tenure transfers (partial or whole) are a real possibility, many have turned their heads to how can they stay relevant, protect the ir investments, and continue to prosper and grow. In addition, they have technical and commercial expertise that can add value and support to the reconciliation process.



A tenure-specific table could be established on its own if the Province decides not to set up a broader table such as a CAB process, but this would not fully address the needs and interests of local governments and stakeholders in the area.

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The advantages of establishing a tenure-specific table are:

- It would provide a forum for information-sharing to a key stakeholder group.
- It allows for discussion of complex technical issues.
- It provides the Province access to additional industry and commercial and technical expertise
- It minimizes any market disruptions from tenure transfers, improving the economic viability of the industry.
- It may improve outcomes at reconciliation tables and lead to smoother implementation.

The Province will need to be manage the tenure-specific tables carefully to ensure they do not veer into tenure-specific discussions or raise expectations, and will also need to manage messaging to Indigenous Nations to ensure the tables are not viewed as competition to their reconciliation discussions and objectives.

#### 2. Resource regional districts for expertise in Indigenous relations:

Currently local governments do not have human, financial resources nor expertise in complex Indigenous negotiations and require resourcing to allow them to meaningfully participate. Reconciliation will not be achieved where all participants are not on an equal footing. Having one party at the table under resourced is not conducive to achieving fulsome informed participation, sound outcomes and real reconciliation.

### 3. Distribute information on reconciliation initiatives on an on-going, consistent basis directly to local governments and stakeholders.

One of the primary themes that emerged most consistently during the interviews was the lack of information that participants feel they have received from the Province on reconciliation initiatives. In





order to mitigate this, at a minimum the Province could send out regular and coordinated information bulletins directed specifically at local governments and stakeholders about reconciliation initiatives in the region. This information could include background information as well as specific details on agreements, when appropriate.

### 4. Undertake an assessment on how to incorporate Indigenous participation into the CAB or Roundtable process:

The CAB process in particular, has the potential to include Indigenous participation that would create a forum where stakeholders, local governments, and Indigenous Nations have a place to exchange information and build relationships. An all-inclusive table could also help manage expectations – on all sides – regarding outcomes of reconciliation agreements, and be a forum for developing implementation plans around land and timber transfers that builds supports for the reconciliation process. The Province may want to undertake further work around how an inclusive process might be designed, particularly in terms of structure, representation, agenda, functions, etc. to manage any of the risks associated with a combined CAB.

#### Conclusion:

Local governments and stakeholders in the Skeena region that were interviewed for this report are clearly aligned with the Province and Indigenous Nations on the value, objective, and necessity of reconciliation. There is a complete misalignment and disconnect, however, on the process to achieve reconciliation. The information-sharing and process gap across the region regarding provincial Indigenous reconciliation initiatives is quickly eroding the foundational support that currently exists. There is a real need to more fully involve the groups who will be part of the implementation of reconciliation initiatives if true reconciliation is to be achieved.



Appendix A –	List of Organizatior	ns Interviewed
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Organization	Date Interviewed		
Municipalities and Regional Districts			
1. City of Prince Rupert	February 22, 2021		
2. District of Kitimat	February 18, 2021		
3. District of New Hazelton	February 18, 2021		
4. District of Granisle	February 17, 2021		
5. District of Houston	February 24, 2021		
6. District of Port Edward	February 22, 2021		
7. North Coast Regional District	February 22, 2021		
8. Town of Smithers	February 17, 2021		
9. Regional District of Bulkley-Nechako	February 24, 2021		
10. Regional District of Kitimat-Stikine	February 18, 2021		
11. Village of Burns Lake	February 17, 2021		
12. Village of Hazelton	February 18, 2021		
13. Village of Houston	February 24, 2021		
14. Village of Telkwa	February 24, 2021		
15. City of Terrace	February 24, 2021		
Forest Tenure Holders			
16. AA Trading	February 25, 2021		
17. Canfor	February 25, 2021		
18. Hampton	February 23, 2021		
19. NorthPacForestry Group	February 25, 2021		
20. Skeena Sawmills	February 25, 2021		
21. West Fraser	February 25, 2021		
Chambers of Commerce			
22. Houston	February 18, 2021		
23. Kitimat	February 18, 2021		
24. Prince Rupert	February 18, 2021		



Organization	Date Interviewed
25. Terrace	February 18, 2021
26. Smithers	February 18, 2021
Environmental Organizations	
27. MakeWay	February 24, 2021
28. Skeena Watershed Conservation Coalition	February 24, 2021
29. Skeena Wild	February 24, 2021
Backcountry Associations/Other	
30. BC Wildlife Federation	February 22, 2021
31. BV Research Center	February 23, 2021
32. Copper River Outfitters	February 22, 2021
33. Guide Outfitters of BC	February 22, 2021
34. Kalum LRMP Implementation Committee	February 23, 2021
35. Lakes District Cattleman Association	February 22, 2021
36. Lakes TSA Coalition	February 23, 2021
37. Smithers Exploration Group	February 23, 2021
38. Snow Valley Nordic Ski Club	February 23, 2021
Did Not Participate in Interview	
39. District of Stewart	N/A
40. Wildlife for Tomorrow	N/A
41. Northwest Guide Outfitters Association	N/A





#### Appendix B – List of Guiding Questions

- 1. What is your level of awareness of current Indigenous reconciliation talks between local Indigenous groups and BC?
- 2. What is your understanding of government requirements regarding local and stakeholder engagement?
- 3. Why do they you want to be consulted on Indigenous reconciliation initiatives? What are some of your key concerns?
- 4. What are some of the gaps in terms of knowledge in your group in this area?
- 5. What capacity do you need to fully engage in discussions (e.g. technical, resourcing)?
- 6. What has worked in previous engagement processes? Why was it successful? What hasn't worked? Why did it not work?
- 7. What are the best ways for government to engage with your group and why (technology, forums, process etc.)?
- 8. How would you measure whether a process is appropriate or successful?
- 9. What type of process would provide you with the best outcome?

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- Skip to main content (https://news.gov.bc.ca/releases/2021FLNRO0087-002004#main-content-release)
- Skip to footer (https://news.gov.bc.ca/releases/2021FLNRO0087-002004#footer)

**British Columbia News** 

# Revamped forest policy puts environment, people first

Wednesday, October 20, 2021 2:45 PM

Victoria - The Province has introduced legislation that will make B.C.'s approach to forests more focused on sustainability, return more benefits to people and local communities, and position B.C. to take full advantage of future economic opportunities through long-term planning.

Amendments to the Forest and Range Practices Act, introduced on Wednesday, Oct. 20, 2021, by Katrine Conroy, Minister of Forests, Lands, Natural Resource Operations and Rural Development, build on government's vision of how B.C. cares for its forests. This legislation complements ongoing work to preserve old growth and supports smarter management of forests, ensuring that public benefits are the priority.

"Forestry policies – put in place two decades ago – have limited our ability to fight climate change, protect old growth forests and share the benefits with Indigenous and local communities," Conroy said. "By increasing public control between government and First Nations, we're committed to smarter management of our forests that prioritizes public benefits and engagement now and into the future."

In June 2021, government released its vision of how it cares for its forests. When implemented, it will create jobs, support healthier forest ecosystems and deliver higher value from the province's forests through three guiding principles: increased sector participation, enhanced stewardship and sustainability, and a strengthened social contract to increase public oversight.

The legislative changes introduced bring this vision closer to reality by increasing local control and prioritizing forest health. A key part of this will be replacing forest stewardship plans, which are now developed by the sector, over time with forest landscape plans. This will better address ecological and cultural values, in addition to timber values.

Through the development of forest landscape plans, the amendments will create new opportunities for shared decision-making between government and First Nations. This is aligned with government commitments to implement the Declaration on the Rights of Indigenous Peoples Act passed in 2019.

First Nations, communities and the public will have more opportunities to view and comment on forest-sector harvesting plans, increasing public trust and participation in forest-management decisions.

The changes will also improve efforts to mitigate against climate change by allowing the chief forester to set stocking standards for replanting and reduce wildfire risk by creating wildland buffers between communities and forests.

New components of the legislation include:

- reshaping British Columbia's forest-management framework by repositioning government as the land manager;
- · reasserting the public interest in forest management;
- · equipping land managers with appropriate tools to establish resilient forests; and
- supporting reconciliation with First Nations through changes that authorize government to establish landscape-level plans in collaboration with First Nations.

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Changes to the act build on amendments made in 2019 and respond to feedback and analyses received over the past decade from First Nations, the Forest Practices Board, the forest industry, the Union of British Columbia Municipalities and others. Changes to the Forest Act, expected this fall, will support industry and Indigenous forest licence holders and further evolve forestry management in B.C.

The Forest and Range Practices Act governs how forest and range practices and activities are conducted on Crown land and came into effect in 2004. Proposed changes will come into effect by regulation expected over the next year.

Bill 23, the Forests Statutes Amendment Act, 2021, amends the Forest and Range Practices Act and other forest-related acts.

#### Quotes:

#### Chiefs of the Southern Dakelh Nation Alliance:

#### Chief Clifford Lebrun, Lhtako Dene Nation; Chief Liliane Squinas, Lhoosk'uz Dene Nation (Kluskus); Chief Leah Stump, Nazko First Nation –

"Improvements to the Forest and Range Practices Act pave the way for a new model of forest stewardship in British Columbia. We look forward to increased opportunities to work with the Province and forest licensees to ensure forest management practices support our title, rights and values for future generations. Our Indigenous Nations understand the need to restore balance to managing forests and forest ecosystems in B.C. Changes to the Forest and Range Practices Act are an important step in promoting resiliency, adaptability and stewardship of forest resources at a landscape scale, and enable a greater role for Indigenous Nations in forest management. Forest-landscape planning is an opportunity to reimagine how we collectively manage forest and range resources in ways that support reconciliation and recognition of our role as title holders in forest management consistent with our inherent rights and title."

#### Chief Troy Baptiste and Councillor Chad Stump, ?Esdilagh First Nation -

"The current Forest and Range Practices Act and forest stewardship plans leave little room for Indigenous input. The improvements to the act are a step in the right direction toward meaningful government-to-government engagement. ?Esdilagh First Nation is committed to the continuance of the forest landscape planning process within the Quesnel Timber Supply Area for the protection of the biodiversity of the land. We have looked forward to the day when a collaboration would begin between Indigenous communities and the Province of British Columbia for the care of the forests. A day when traditional land knowledge and modern forest practices come together to ensure the health of the land for future generations."

#### Garry Merkel, co-chair, Minister's Forest and Range Practices Advisory Committee -

"The recent changes to the Forest and Range Practices Act legislation provide ways for us to overcome the shortcomings to the previous legislation. One of the more significant changes is the addition of forest landscape plans into the planning framework. These plans provide a practical way to ensure that landscape level objectives such as managing biodiversity and other important values are addressed in a co-ordinated way, while ensuring that local concerns are accommodated through direct involvement in the planning process."

#### John Betts, executive director, Western Forestry Contractor's Association -

"This forest landscape planning legislation will enable British Columbia to better manage our forest resources in the face of climate change and the cumulative effects of resource development. For our reforestation sector, it means we will be managing stands and implementing forest practices more sensitive to the complexities and dynamics of how our forest and range ecosystems connect over the landscape and time."

- B.C. is 95 million hectares in size. More than half of that 57.4 million hectares is forested.
- Approximately 22 million hectares of forested land is considered part of the public timber harvesting land base. Less than 1% is harvested each year.
- There are more than 140 forest stewardship plans throughout the province.

#### Learn More:

To follow the progress of this bill through the legislature, visit: www.gov.bc.ca/frpa (http://www.gov.bc.ca/frpa)

B.C.'s vision to modernize forest policy: www.gov.bc.ca/modernforestpolicy (http://www.gov.bc.ca/modernforestpolicy)

Progress on B.C.'s work to implement the recommendations of the Old Growth Strategic Review: www.gov.bc.ca/oldgrowth (http://www.gov.bc.ca/oldgrowth)

#### A backgrounder follows. Ministry of Forests, Lands, Natural Resource

Operations and Rural Development Media Relations 250 896-4320

#### Backgrounders

2021 amendments to the Forest and Range Practices Act

### Reshaping British Columbia's forest management framework by repositioning government as the land manager

- Amendments will give government authority to develop 10-year forest landscape plans with First Nations, local communities and other stakeholders. These plans will be posted publicly and will replace sector-developed forest stewardship plans over the next eight to 10 years.
- Forest licensees must develop and submit forest operations plans for the minister's approval, which detail planned harvesting and road building for the next five years. These plans will be posted publicly and must align with the forest landscape plans.
- Industry-developed site level plans will detail specific harvesting and building activities, and must align with relevant forest landscape plans. They must be approved by government and will be posted publicly.

#### Reasserting the public interest in forest management

- Amendments will require that forest landscape plans be developed by government and First Nations, in collaboration with communities and other stakeholders.
- Forest landscape and forest operations plans will be posted publicly, improving opportunities for First Nations, local governments and members of the public to review and comment.
- Every five years, the chief forester will publicly report on forest landscape plan outcomes.

#### Equipping land managers with appropriate tools to establish resilient forests

- Amendments will give government greater management control over forest roads to protect the public safety and environment.
- They will support the ability to manage and respond to wildfires and other localized environmental situations by giving the chief forester authority to order specific stocking standards for reforestation and allowing reforesting to be focused on high-priority areas.
- Amendments allow for wildland urban interface areas to be designated in order to protect the communities they surround from wildfires.

#### Supporting reconciliation with First Nations

• Amendments will bring the legislation in alignment with the Declaration Act by creating new opportunities for shared-decision making in the development of forest landscape plans between government and First Nations.