

# Beyond the Beetle

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## A Mid-Term Timber Supply Action Plan



**Ministry of Forests, Lands and Natural Resource Operations**

**October 2012**



Ministry of  
Forests, Lands and  
Natural Resource Operations



## Message from the Minister

*Beyond the Beetle: A Mid-Term Timber Supply Action Plan* represents the next stage in the government's ongoing response to the mountain pine beetle infestation that has devastated our forests. Since 2001, the provincial government has invested over \$884 million in forest management and economic development in B.C.'s hardest-hit communities.

This action plan, based on the recommendations of the Special Committee on Timber Supply, reflects our commitment to continued investment in our forests, our communities and our future.

The key elements of the action plan focus on reforestation, forest inventory, fuel management and intensive and innovative silviculture. Now that the mountain pine beetle infestation has mostly run its course, it is the right time to update our forest inventory and reforestation plans. Previously, the situation was changing rapidly.

We are working to ensure healthy, resilient forests for future generations. *Beyond the Beetle: A Mid-Term Timber Supply Action Plan* puts a sharper focus on increasing the mid-term timber supply and better utilizing timber for bioenergy and other purposes, to complement the traditional focus on sawlogs.

New legislation will be introduced to facilitate the conversion of volume-based licences to area-based licences. Through legislation, we will also create a supplemental forest licence, providing security of timber supply to those companies that need wood that is not sawlog quality.

In implementing this action plan, we will work closely with communities, First Nations and industry in a fair, open and transparent manner.



Steve Thomson

Minister of Forests, Lands and Natural Resource Operations

## **Preserving the Integrity of B.C.'s Sustainable Forest Management System**

### **Recommendation 1.1 –**

*The Committee recommends to the Legislative Assembly that the Province:*

- a) Ensure it meets its legal consultation duty and any required accommodations when planning or implementing changes to the forest management regime in a specific area.*
- b) Consider the expansion of First Nation tenures when contemplating material changes to the tenure system.*

### **Ministry response:**

We agree fully that First Nation involvement and consultation are important elements when planning and implementing any changes to the forest management regime.

- a) The government will continue to meet its legal obligation to consult with First Nations. The Ministry of Forests, Lands and Natural Resource Operations will continue to work with the Ministry of Aboriginal Relations and Reconciliation to increase First Nations involvement and benefits related to the forest sector and other resource industries.
- b) As discussed under Recommendation 5.2, the government will be acting on the recommendation to allow the conversion of existing volume-based licences to area-based licences. If further material changes to the tenure system are contemplated, the ministry will consider the expansion of First Nations tenures, based on land base suitability and fibre availability. Since 2002, this government has signed forestry agreements with 175 First Nations, providing more than \$324 million in revenue-sharing and access to over 63.2 million cubic metres of timber. As well, the proportion of the provincial allowable annual cut in First Nations' control has increased from under 3 per cent to over 14 per cent. In 2011, this government introduced the new First Nations woodland licence, with the first one awarded in December 2011.

### **Recommendation 1.2**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Assess the feasibility of re-establishing the monitoring committees for land and resource management plans (LRMPs) and, if feasible, task them with conducting a time-limited review*

*of the LRMPs and their relevance, in light of changes to the forested landscape. The appropriate role of local First Nations needs to be reviewed with them.*

*b) Use the best available science to establish key priorities for monitoring committees to review in each management unit under LRMPs and local area plans. The purpose of the reviews is to ensure that the plans are meeting their original intent, given the changes in the forest that have occurred as a result of the mountain pine beetle epidemic.*

**Ministry response:**

The ministry agrees fully with the need to periodically review and update land use plans and/or resource management objectives. We will assess the feasibility of re-establishing monitoring committees for land and resource management plans in the highest priority areas impacted by the mountain pine beetle. Where feasible and appropriate, the ministry will engage with communities, First Nations and stakeholders. In some management units, the most effective means to address this recommendation is through workshops and/or by enhancing the level of public discussion in the Chief Forester's timber supply review processes.

In the longer term, the ministry will develop a framework for community-based engagement on resource management that incorporates the monitoring of land use plans and allows for public engagement on a broader suite of natural resource management initiatives, consistent with the integrated approach that the ministry embodies. The future engagement process will take advantage of our increasing ability to post and utilize real-time data on the Internet and be consistent with open government initiatives. Our engagement work will be initially focused on areas that are most heavily impacted by the mountain pine beetle. The longer term approach will be introduced over time starting in 2014. Where feasible, public engagement processes will incorporate landscape-level wildfire management planning and silviculture investment planning, addressed under Recommendations 3.2 and 3.3.

**Recommendation 1.3**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Undertake a critical assessment of the risks to certification and BC's Sustainable Forest Management (SFM) image prior to making any changes in response to this report.*
- b) Ensure that proper notification and communication plans are developed where sensitive changes are considered as an appropriate response, given the wide-ranging impacts of the mountain pine beetle*

**Ministry response:**

The ministry will continue to review any proposed forest policy changes from the perspective of sustainable forest management. The ministry will continue to work with Forestry Innovation Investment, industry and other stakeholders to ensure marketplace demands are considered. B.C. is world-renowned for its sustainable forest management practices and the ministry will continue to work with forest professionals, industry and others to uphold B.C.'s high environmental standards and excellent reputation. Public participation is a key component of that approach and the ministry will seek further opportunities to engage the public, as discussed under Recommendation 1.2.

**Recommendation 1.4**

*The Committee recommends to the Legislative Assembly that the Ministry respect the important work that has been undertaken by the beetle action coalitions (BACs) and continue to support their goals and objectives by reviewing policies and programs as appropriate.*

**Ministry response:**

This government supported the creation of Beetle Action Coalitions in 2005. In March 2011, the government provided additional funding of \$9 million to the three Beetle Action Coalitions to support their operations until April 2014.

The Ministry of Jobs, Tourism and Skills Training's Pine Beetle Epidemic Response Branch — and other branches and ministries — have worked closely with the BACs and to provide support and assistance as requested. They will continue to do that.

Since 2001, the government of B.C. has invested \$884 million in forestry and economic development initiatives in areas impacted by the mountain pine beetle. This includes \$25 million to Geoscience BC for mineral exploration and \$25 million to the BC Bioenergy Network. A detailed breakdown of investments related to the mountain pine beetle is available online at: [http://www.for.gov.bc.ca/hfp/mountain\\_pine\\_beetle/MPB-investments.pdf](http://www.for.gov.bc.ca/hfp/mountain_pine_beetle/MPB-investments.pdf)

**Land Base Issues**

**Recommendation 2.1**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Review marginally economic forest types within each timber supply area (TSA) and quantify the types and areas of forest that might be justifiably included in a partition within the timber harvesting land base (THLB).*

- b) Give consideration to revising the Minister's letter that expresses the social and economic objectives of the Province by requesting that the Chief Forester thoroughly examine the potential of marginally economic forest types to address the harvest opportunities these stands offer.*
- c) Review relevant policies to ensure that they encourage innovations that promote and support the utilization of marginally economic forest types.*
- d) Consider the competing demands for any additional fibre in each unit and ensure that apportionment and allocation decisions weigh and consider those demands, including considering the opportunity that issuing new licences could represent.*

**Ministry response:**

- a) For all upcoming timber supply reviews in areas impacted by the mountain pine beetle, the ministry's Forest Analysis and Inventory Branch will identify marginally economic stand types as part of the timber supply reviews and quantify their potential contribution to the timber supply where applicable. Inclusion of these stands will occur to the extent possible, given other resource objectives for wildlife, water and other values. If marginally economic stand types are included in the allowable annual cuts, consideration will be given to establishing partitions to ensure that harvesting proportionately addresses these stands. This has already occurred in the Lakes timber supply area, where a significant volume was identified and is being used in a licence offer to support the rebuilding of a manufacturing facility in Burns Lake. In other areas, the timber volume will be used to support existing jobs by helping to mitigate reductions to existing programs and licensees.
- b) Under the Forest Act, the Minister of Forests, Lands and Natural Resource Operations provides the Chief Forester with the government's social and economic objectives, so they can be considered when the Chief Forester makes allowable annual cut determinations. The minister's letter to the Chief Forester was last updated in October 2010 to specifically reflect the impact of the mountain pine beetle infestation on the mid-term timber supply. We have reviewed that letter and have determined that it appropriately considers marginally economic stands. If further discussion with communities, First Nations and licensees results in a general consensus for further changes, those can occur relatively quickly.
- c) The ministry reviews these policies on an ongoing basis, through a number of active forums with the forest industry. These policies will also be examined as part of the broader review contemplated in Recommendation 5.2.c.

- d) In light of future declining timber supplies, the ministry is updating its apportionment policies. The ministry wants to ensure consistency and fairness in timber allocation decisions.

## **Recommendation 2.2**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Design a science-based review process for local use by monitoring committees, as referenced in Recommendation 1.2 above, in the assessment of existing sensitive-area designations to ascertain if they are still defensible or whether they need to be modified; and give due consideration to any changes in technology that might help to achieve the objectives for these areas.*
- b) Only consider harvesting sensitive areas within the timber harvesting land base (THLB) if the decision is based on the science-based review process referenced in Recommendation 2.2a above.*
- c) Ensure that the review process is cost effective and justifiable, and that no changes are implemented in the management of sensitive areas in any area where there is a lack of general consensus.*
- d) Conduct this review process with a view to improving overall forest management in the beetle-impacted timber supply areas. While potential changes may augment the timber supply, this is not a predictable outcome.*

## **Ministry response:**

The ministry is developing a framework for a science-based review of sensitive areas. The framework will focus on identifying key priority values and/or sensitive area designations to be assessed. This framework will be discussed with First Nations, local governments and stakeholders in early 2013, and will be piloted as we begin discussions in high-priority areas such as Burns Lake and Quesnel.

The highest-priority sensitive areas will be assessed in the spring and summer of 2013. This assessment will provide information on whether proposed changes to a land use objective would affect underlying values and, if so, to what degree. Other options to address these values will also be examined.

Based on the review, any proposed changes to the designations would be shared and discussed with communities, First Nations and key stakeholders, with the intent of making a final,

informed recommendation to the government. First Nations would be consulted prior to any decision.

### **Recommendation 2.3**

*Based on the analysis and information available on this topic, the Committee recommends to the Legislative Assembly that the Province not consider the amalgamation of timber supply areas.*

#### **Ministry response:**

As recommended by the committee, the government will not consider amalgamating timber supply areas.

### **Recommendation 2.4**

*The Committee recommends to the Legislative Assembly that the Province review the feasibility, through business case analysis, of developing road and power-line infrastructure into currently underdeveloped management units affected by the mountain pine beetle as a potential mid-term timber supply mitigation action.*

#### **Ministry response:**

The ministry will examine opportunities in management units impacted by the mountain pine beetle. Working with the Ministry of Energy, Mines and Natural Gas and the Ministry of Jobs, Tourism and Skills Training, we will conduct a business case analysis for any potential opportunities that are identified. Part of that detailed examination will be ensuring that we continue to honour the 2006 U.S.-Canada Softwood Lumber Agreement.

## **Forest Practices Considerations**

### **Recommendation 3.1**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Work with industry to establish silviculture-related forest practice requirements that ensure the objectives of growing more fibre and generating more value are achieved.*
- b) Maintain or enhance the current level of funding for the tree improvement program.*
- c) Ensure that, with respect to partial-cutting systems, the appropriate selective-harvesting training materials are in place; survey and stocking standards are adequate; electronic data-capture systems are able to transfer efficiently the disturbance history into the forest*

*inventory; and the growth-and-yield models used to predict timber supply from partially harvested stands are current.*

**Ministry response:**

- a) The ministry is committed to growing more fibre — it's one of the ministry's performance measures. A new joint industry/ministry Resource Stewardship and Tenures Committee will meet regularly to review forest practice requirements and identify opportunities to improve fibre growth and value. The ministry will also engage industry in a review of stocking standards to ensure future stands are resilient to climate change and have the potential to optimize fibre production in the future. In addition, the ministry will continue to place a high priority on forest health activities designed to protect the mid-term timber supply from further losses. The ministry's climate change adaptation strategy also supports optimizing forest productivity.
  
- b) The ministry recognizes the benefits realized from the provincial tree improvement program, including enhancements in the volume, value and resilience of B.C.'s future forests. The ministry will continue to provide funding through its land-base investment strategy and foster stakeholder input and collaboration through the Forest Genetics Council of B.C. Starting in 2015, the program's return on enhanced seed will make it possible to start reinvesting dollars to further improve yields, climate tolerance and resistance to pests.
  
- c) The ministry agrees that partial cutting is a viable harvesting system for many parts of the Interior. Accordingly, by March 31, 2013, the Resource Practices Branch will have completed a review of associated training materials, standards, systems, and growth and yield models to ensure they are sufficient for this purpose.

**Recommendation 3.2**

*The Committee recommends to the Legislative Assembly that the Province determine the level of investment in intensive silviculture, such as fertilization, that it will sustain. The Committee further recommends to the Legislative Assembly that the Ministry:*

- a) Place priority on completion of type 4 silvicultural strategies to guide investments in intensive silviculture in accordance with established criteria.*
  
- b) Develop a strategy and objectives for re-engaging the federal government to acquire funding that will be used to help respond to the mountain pine beetle crisis. The funding would support the planning and implementation of joint federal, provincial and industry programs*

*and partnerships in response to forest management and community challenges associated with the epidemic.*

*c) Establish criteria for the allocation of funding for intensive silviculture on area-based tenures in order to leverage private sector investment.*

**Ministry response:**

- a) Starting in 2014/15, we have budgeted \$11 million per year for a fertilization program. This will fertilize approximately 21,000 hectares and produce an additional 460,000 cubic metres of timber. This additional volume will be realized 10 years after the last application of fertilizer.
- b) Type 4 silviculture strategies (comprehensive timber supply area plans that identify key silviculture objectives, tree species selection, harvesting and retention priorities and climate change) are already underway or under development in the Quesnel, Prince George, Morice, Williams Lake and Lakes timber supply areas. These strategies will be completed by March 31, 2013 and will help set objectives for (and prioritize) silviculture investments.
- c) The federal government continues to support forestry activity through ongoing research, marketing and product development programs. We agree that it is worthwhile to re-engage with the federal government to secure assistance in mitigating associated economic impacts. This includes providing community transition assistance, worker retraining and transition assistance, infrastructure development, industrial adjustment and economic development.
- d) The ministry will initiate discussions with industry stakeholders through the Resource Stewardship and Tenures Committee to develop criteria for leveraging allocations for intensive silviculture with area-based tenures and/or area-based management. The ministry continues to work toward a replacement for Innovative Forest Practices Agreements to provide incentives for private sector investment.

**Recommendation 3.3**

*The Committee recommends to the Legislative Assembly that the Ministry:*

*a) Continue to fund strategies and activities for the reduction of fuel in the wildland-urban interface. Where these investments reduce overall fire suppression risks and costs, then the Ministry might best fund these expenditures from the fire suppression budget, thereby reducing overall cost to the Province.*

- b) Ensure that tenure holders help to manage fuels across the broader forest landscape in addition to the urban interface.*
- c) Work closely with tenure holders by linking its fuel management programs to type 4 silvicultural strategies.*

**Ministry response:**

- a) In 2004, the provincial and federal governments committed \$37 million to the Strategic Wildfire Prevention Initiative and the B.C. government contributed an additional \$25 million in April 2011. The initiative is a collaboration between the Union of B.C. Municipalities, the First Nations Emergency Services Society and the Ministry of Forests, Lands and Natural Resource Operations. This initiative reduces wildland-urban interface fuels on municipal lands and First Nation lands next to communities.
- b) The Ministry of Forests, Lands and Natural Resource Operations has recently initiated landscape fire management planning. The objective is to mitigate the threat of wildfire by creating landscape-level fuel breaks to reduce risks to critical values. Three pilot projects are currently being planned, including one in the Merritt TSA and one in the Vanderhoof and Fort St. James portions of the Prince George TSA. The successful integration of wildfire considerations into most aspects of resource management planning will require a focused commitment by industry, communities, local governments, First Nations and resource management agencies.
- c) As a pilot project, the ministry's fire management specialists are working with the Type 4 silviculture strategy team leads in the Burns Lake and Okanagan-Shuswap districts. Fire management planning is recognized as a planning component and the specialists will share their knowledge, expertise and information on wildfire risk mapping.

**Recommendation 3.4**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Determine the most cost-effective means of assessing and classifying the stands that are impacted by mountain pine beetle and then implement a program for their assessment and classification.*
- b) Develop technical and financial criteria for stratifying NSR areas that considers among other things:
  - i. The areas that are likely to be harvested and reforested;**

- ii. The areas that are candidates for rehabilitation through various types of treatment to ensure their timely reforestation; and*
- iii. The areas that should be left to recover on their own, with projected timelines for when they will become sufficiently restocked.*

*c) Ensure that the Ministry's plans are clear, transparent and publically communicated, and that the plans are monitored and adjusted as necessary, and changes publicly reported*

**Ministry response:**

The mountain pine beetle has significantly impacted our Interior forests. The associated loss of forest cover presents significant challenges as well as an opportunity: we can reforest significant areas with new, improved seedlings that are faster growing, more resilient and (at the landscape level) an aid in wildfire management.

The ministry's assessment of areas suitable for reforestation considers the criteria recommended by the special committee. That assessment will be released shortly.

The ministry's Resource Practices Branch is review emerging and innovative technologies that could improve the cost-effectiveness of assessing areas impacted by fire and the mountain pine beetle. The team will report its findings by March 31, 2013.

The ministry will ensure that the team's plans, accomplishments and revisions are publicly reported.

**Other AAC Related Issues**

**Recommendation 4.1**

*The Committee recommends to the Legislative Assembly that the Ministry:*

*a) Prepare a position paper that:*

- i. States the purposes, uses and objectives of the forest inventories and the many important decisions that it supports; and*
- ii. Assesses the strengths and weaknesses of the inventories in meeting their objectives, including their current utility in supporting management priorities and strategic forest-level management decisions that need to be taken in response to the beetle epidemic.*

*b) Review and establish forest inventory priorities for the areas affected by the mountain pine beetle and develop realistic, cost-effective budget projections required to meet them. The Committee further recommends that based on the Ministry's review, the Province:*

*c) Ensure that sufficient funding is provided to support the preparation of a five-year provincial inventory action plan that details how the program will meet provincial priorities, including consideration of the urgent issues emerging in the mountain pine beetle areas.*

**Ministry response:**

The ministry agrees that the inventory process, purpose and schedule needs to be more clear. A 10-year provincial inventory plan will be completed in early 2013. The plan and associated documents will fully address all components of this recommendation. The ministry is currently focused on completing a new Vegetation Resources Inventory (VRI) photo-interpretation of 12.5 million hectares over the next five years, in the areas most heavily affected by the mountain pine beetle.

**Recommendation 4.2**

*The Committee recommends to the Legislative Assembly that the Ministry maintain current harvest flow policies and allow the Chief Forester to determine an appropriate harvest flow for each management unit during allowable annual cut (AAC) determinations.*

**Ministry response:**

The ministry will maintain the current harvest flow policies and the ministry's Forest Analysis and Inventory staff will continue to ensure that the Chief Forester has appropriate analyses and information to support harvest flow decisions in each timber supply area when allowable annual cuts are determined.

**Recommendation 4.3**

*The Committee recommends to the Legislative Assembly that the Ministry continually review the timber supply in each management unit and advise the Chief Forester on priorities for when the next AAC allocation is required. In management units where the AAC has been previously increased to facilitate harvesting, and where lower levels of mountain pine beetle have been experienced than originally expected, the Chief Forester decide on a new AAC determination as soon as practicable.*

**Ministry response:**

The ministry's Forest Analysis and Inventory staff will continue to regularly monitor and review harvest performance and the timber supply to ensure that timber supply reviews are prioritized, relative to risk to forest stewardship. The ministry will immediately assess the current timber supply review schedule to see if the AAC determinations should be accelerated in some management units that have been significantly impacted by the mountain pine beetle.

This assessment will be completed and a revised schedule made available by November 1, 2012.

The pine mortality assumptions for the Lakes and Quesnel TSAs are being assessed to determine whether AAC determinations for these TSAs should be accelerated. This pine mortality review is expected to be completed by March 2013.

#### **Recommendation 4.4**

*The Committee recommends to the Legislative Assembly that the Ministry ask the Chief Forester to review how unsalvaged losses are projected in allowable annual cuts (AACs). If the Chief Forester determines that it is reasonable to establish partitions to promote the utilization of fibre that would otherwise not be recovered, and thereby reduce the level of unsalvaged losses, then tenure policy experts should work with the forest sector to determine if a workable and effective policy could be developed that would:*

- i. Promote the utilization of fibre associated with unsalvaged loss projections by using a partition to reflect the amount that could potentially be salvaged.*
- ii. Determine whether it is reasonable and practical to develop and administer a salvage program to promote the recovery and utilization of this timber.*

#### **Ministry response:**

Ministry staff will review how unsalvaged losses (timber damaged or killed by natural causes that is not harvested) are estimated during timber supply reviews to ensure they are not excluded from the allowable annual cut if they can be salvaged.

There is an active small-scale salvage program on Crown lands that helps promote the recovery and utilization of timber. Over the last few years, new policies and tenures have been developed and those changes are already improving the utilization of fibre that would otherwise not have been used.

In 2013, the ministry will review the current and planned tenure tools and administrative measures to ensure they promote the effective utilization of fibre. Based on that review, the ministry will determine if it should proceed with a specific salvage program.

### **Forest Tenures Issues and Interests**

#### **Recommendation 5.1**

*Given the history of area-based tenure management in British Columbia and elsewhere in Canada, the Committee recommends to the Legislative Assembly that the Ministry:*

- a) Gradually increase the diversity of area-based tenures, using established criteria for conversion and a walk-before-you-run approach.*
- b) If conversion to more area-based tenures is desirable, give consideration to incorporating a takeback-volume provision, or some equivalent public benefit, on conversion to area-based rights and reallocating that volume to First Nation and/or community area-based tenures.*
- c) Before considering a conversion of a licensee's renewable volume-based tenures in whole, or in part, it rigorously evaluate: the licensee's past performance; their commitment to sustainable forest management; their commitment to investment in forest management including, but not limited to, silvicultural investments; and community and First Nations support for conversion through a process of public consultation.*

**Ministry response:**

The ministry has been increasing the amount of forest land covered by area-based tenures for several years, through the expansion of community forest agreements, woodlot licences and the newly created First Nations woodland licence.

At the next sitting of the Legislature, legislation will be introduced to authorize the conversion of replaceable forest licences to tree farm licences. The ministry will consult with the forest industry and other stakeholders and discuss the regulatory and policy work required to allow the minister to accept and evaluate applications to convert forest licences to tree farm licences.

One requirement for any proposed conversion will be ensuring that the public interest is addressed, through the support of the local community, First Nations, stakeholders and the public.

**Recommendation 5.2**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Continue to pursue the development and implementation of the Receiving Licence and Supplemental Forest Licence as additional vehicles to improve utilization and maximize jobs per cubic metre of fibre.*
- b) Examine the potential for a fibre-based AAC pilot, while ensuring the necessary and complementary environmental standards (i.e. coarse woody debris), cut control and waste measurement requirements are implemented concurrently and as part of the pilot.*
- c) Review the legislation, policies and licence administrative framework to ensure optimum utilization of the forest resource while maintaining environmental standards.*

**Ministry response:**

- a) The ministry continues to develop a supplemental forest licence. A supplemental forest licence would award fibre volume to owners of specified mills to provide a short-term supply of fibre, where traditional supplies cannot meet the needs of the mill.

Unlike other current forms of tenure, issuing harvesting rights would be conditional on a market test. For example, a mill with a supplemental forest licence could not exercise harvesting rights unless the company has made reasonable efforts to obtain fibre for the mill. This should ensure that non-sawlog mills will have a continuous supply of fibre. At the next sitting of the Legislature, the ministry will introduce legislative amendments to enable creation of a supplemental forest licence.

The ministry believes that the objectives of a receiving licence can be more effectively achieved through changes to cut control administration. Currently, licensees can harvest and deliver low-grade timber to a non-sawlog facility (e.g. a pellet plant) without having the harvest volume count towards their licence. This attribution of volume encourages the harvest of low-quality timber that would otherwise not be harvested. This process has been effective in reducing wood waste, but it is not a sustainable practice in the long term. At the next sitting of the Legislature, the ministry will introduce legislative amendments that will enable changes to the Cut Control Regulations. The ministry's proposed changes will ensure enhanced and sustainable volume attribution practices and the continued utilization of low-quality fibre.

- b) The ministry's Forest Analysis and Inventory Branch staff are now including non-sawlog material in the AAC of units affected by the mountain pine beetle. The ministry is also exploring the idea of including more fibre in the AAC in the 100 Mile House TSA, by working with licensees to expand the utilization standards and the definition of marginally economic stands. The ministry will use this opportunity to align the other measures (cut control, waste benchmarks, coarse woody debris) required to implement a more fibre-inclusive AAC.
- c) The ministry reviews its licensing framework on a regular basis. In June 2012, the ministry finalized a number of regulatory changes that introduced road and landing tenures. These provide greater access to logging slash and low-quality fibre needed by bio-energy producers and manufacturers of wood pellets and other products. Ministry staff will consult with a cross-section of the forest industry to review this overall legislative and policy framework.

### **Recommendation 5.3**

*The Committee recommends to the Legislative Assembly that the Ministry review current procedures to ensure that potential timber exports of fibre from Crown lands are identified to assist in mitigating mid-term timber supply in the central interior of the province.*

#### **Ministry response:**

Ministry staff have examined this recommendation. No significant volume is exported from the Interior and the volumes exported from the North Coast do not make an economically feasible alternative. These logs are high-cost timber and their characteristics are mostly unsuited to the specifications required by mills in the central Interior. However, since the AACs in the coastal management units are not fully harvested, an opportunity exists for those mills to utilize the coastal log profile from the Skeena-Stikine District, once the current log export OIC expires in June 2013.

### **Recommendation 6 - Burns Lake**

*The Committee recommends to the Legislative Assembly that the Ministry:*

- a) Direct that a reconvened local planning table, with appropriate membership, evaluate, consider the appropriateness and make recommendations on non-spatial management of old growth in the TSA, in a manner consistent with Recommendation 2.2 above.*
- b) Direct that alterations to the management of visual quality objectives and other sensitive areas in the Lakes TSA are not recommended for review at this time, unless there is absolute agreement by the reconvened planning table to do so. This holds true for any other elements of the Lakes TSA land and resource management plan.*
- c) Confirm a funding allocation which is intended to be ongoing, to support a targeted fertilization program in the Lakes TSA.*
- d) Complete a type-4 silviculture analysis for the Lakes TSA to guide the fertilization program and also to set other important silvicultural goals as well as to support setting goals for the management of wildfire risks in the TSA.*
- e) Consider revising the Minister's letter that expresses the social and economic objectives of the Province to emphasize the importance of maximizing volume flows in the Lakes TSA to assist with economic recovery in the area. Emphasis should be placed on the development potential of the marginally economic forest types with full consideration of their availability, given the many important non-timber objectives in the TSA.*

- f) Update the Lakes TSA inventory in a timely and cost-effective manner, in order to support the earliest possible reconsideration of the AAC for the area.*
- g) Expedite negotiations with Burns Lake First Nations to determine the feasibility of awarding them a licence for harvesting in the marginally economic forest types.*
- h) Clarify whether the non-replaceable forest licence allocation will be removed from the apportionment when the licences expire.*
- i) Retain the replaceable forest licence harvest rights of existing licensees in the TSA.*
- j) Respond, in a manner consistent with Recommendation 5.1 to Hampton's request for a tree farm licence when sufficient information on AAC and apportionment considerations is available.*

**Ministry response:**

On Sept. 17, 2012, Hampton Affiliates announced its intention to rebuild its Burns Lake sawmill, based on commitments that the Minister of Forests, Lands and Natural Resource Operations provided in his letter of Sept. 11, 2012 (available online at [http://www2.news.gov.bc.ca/news\\_releases\\_2009-2013/2012FOR0162-001366.pdf](http://www2.news.gov.bc.ca/news_releases_2009-2013/2012FOR0162-001366.pdf))

The Ministry will work diligently with Hampton, First Nations, the community of Burns Lake and other licensees in the area to make sure the commitments in the letter are delivered in a transparent, fair and equitable manner.