

## **Terms of Reference Timber Sales Advisory Council**

### **Background**

BC Timber Sales (BCTS) is a semi-autonomous program within the Ministry of Forests, Lands and Natural Resource Operations and Rural Development (FLNRORD) created in 2003 to develop crown timber for public auction, to establish market price and cost benchmarks, and to capture the value of the timber asset for the public.

Established in 2004, the Timber Sales Advisory Council (TSAC) provides a forum to canvass sector viewpoints and obtain advice on a range of legislative, policy, business practice and program performance issues germane to BCTS.

### **Program Mandate**

#### Vision

Be an effective timber marketer generating wealth through sustainable resource management.

#### Mission

Committed to pursuing excellence in all aspects of our business, maintaining effective stakeholder relations and focusing on results, BCTS generates economic prosperity for all British Columbians through the safe, sustainable and reliable development and auction of Crown timber and by playing a pivotal role in the ministry's reforestation strategies.

#### Goal

To provide credible representative price and cost benchmark data for the market pricing system (MPS) through auctions of public timber.

#### Objectives

1. Sell the full BCTS apportionment over the business cycle, consistent with safe practices and sustainable forest management;
2. Generate net direct revenue and indirect provincial government revenue over the business cycle; and,
3. Pursue continuous business improvement within BCTS, across government and with third party partners and customers.

## Operational Guidelines

- Each Business Area (BA) will develop formal five-year Business Plans in consultation with customers and communities;
- Each BA will plan to sell annually no less than 90% of its apportionment, subject to local area demand and supply factors;
- When market demand permits, BAs will target sales of accumulations of unsold apportionment, and marginal economic and poor-quality timber;
- Performance to be measured primarily against actual sales and harvest levels;
- Direct and indirect government revenue to be measured and reported; and,
- BCTS will increase efforts to achieve business-to-business partnerships and agreements with customers and third parties.

## **TSAC Terms of Reference**

### Scope

The TSAC will work at an industry-wide strategic level to provide sector viewpoints and advice to BCTS, FLRNORD and broader government regarding:

- The effectiveness of existing legislation, policy and business practices impacting the program and its stakeholders;
- The performance of BCTS in achieving its mandate, including the timely reporting of this performance by coastal, interior and business area level where appropriate;
- Proposed changes to legislation, policy and business practices to improve the performance of BCTS in achieving its mandate; and,
- Specific business issues related to improving customer service and business practices.

### Accountability

The TSAC is accountable to FLNRORD through the Associate Deputy Minister (Associate DM).

### Membership

The TSAC is comprised of representatives from industry associations whose members are significant BCTS customers and clients, and key BCTS staff including the program executive and senior managers. This group, collectively, has both the knowledge of the

program, and the external and internal perspective necessary to fully evaluate program performance and develop ways of improving it.

All industry members (reference Appendix 1) are appointed by the Executive Director BCTS for a period of two years and must be re-nominated (or an alternative representative nominated) after two years by the sponsoring association. Although the core of TSAC will be approximately 20 - 22 members, membership will be flexible over time to allow for replacements, additions etc. Associations not currently represented on TSAC may petition for membership through the Secretariat. Membership is determined by the Executive Director BCTS after consulting the TSAC.

The following will be taken into account in considering a new application for TSAC membership:

1. Does a prospective member association represent interests whose business is closely aligned with or dependent on the operations of BCTS?
2. Are the interests of a prospective member association not adequately represented by current members or addressed through other government and industry forums?
3. Will adding the prospective association to TSAC lead to TSAC becoming so large that its effectiveness will be diminished?

Each member may designate an alternate to attend in his/her absence or provide written input regarding agenda items to the secretariat prior to the meeting. Alternates must be sufficiently briefed and prepared to effectively contribute at meetings. TSAC recommendations can only reflect input available at the time, so members must provide timely contributions to discussion in person, through an alternate, or in writing.

### **TSAC Recommendations**

TSAC is an advisory body that provides advice and makes recommendations in respect of BCTS. These recommendations can be to BCTS, to the broader FLNRORD, or to broader government. Recommendations will be one of five kinds and will be the result of a full discussion of an issue within the TOR brought to the council by members and BCTS:

1. Recommendations endorsed by the entire council and entirely within BCTS' mandate. Such recommendations will be implemented.
2. Recommendations endorsed by the entire council, but not entirely within BCTS' mandate. Such recommendations will be communicated elsewhere in FLNRORD and government as appropriate by the Executive Director BCTS or his/her delegate, who is then responsible for reporting back on resulting actions, as applicable.
3. Recommendations endorsed by the entire or majority of council, but not by BCTS staff, and entirely within BCTS' mandate. The Executive Director BCTS will provide TSAC with a full explanation of the decision not to support the industry position. Industry representatives, if unanimous, may appeal this decision, via the

Executive Director BCTS, to the Associate Deputy Minister. The Executive Director BCTS will then convey the Associate Deputy Minister's decision/direction to the council.

4. Recommendations endorsed by the entire or majority of council, but not by BCTS staff, and not entirely within BCTS' mandate. Such recommendations, including the reason why BCTS staff are not supporting the recommendation, will be communicated elsewhere in FLNRORD and government as appropriate by the Executive Director BCTS or his/her delegate, who is then responsible for reporting back on resulting actions, as applicable.
5. Recommendations entirely or not entirely within BCTS' mandate that are endorsed by BCTS staff, but not by the entire or majority of other council members. The Executive Director BCTS or his/her delegate will communicate the council's lack of support elsewhere in FLNRORD and government and will report back to council on resulting actions, as applicable.

### **Meetings**

Meetings will be held quarterly to coincide with the availability of the BCTS quarterly performance reports and will be scheduled by the chair in consultation with TSAC. Further meeting information is available on the public BCTS website under "Timber Sales Advisory Council"

BCTS staff will strive to circulate agenda and supporting resource material to TSAC at least 1-week prior to each quarterly meeting.

### **Support**

BCTS will arrange for and fund the meeting rooms, and a secretariat to provide support to TSAC. All appointees will be reimbursed for travel costs to and from the meetings at government rates.

### **Communication**

Most communication with TSAC members will take place via e-mail through the secretariat.

Materials approved by the TSAC, including minutes, supporting materials, and presentations will be posted on the public BCTS website.

## Appendix 1 Current Membership

Current TSAC membership is as follows:

- Ray Luchkow – BC Timber Sales.
- Rick Manwaring– Associate Deputy Minister
- Rob Bigalke – BC Timber Sales.
- Allan Powelson – BC Timber Sales.
- Les Kiss – Council of Forest Industries (Coast).
- James Luxmoore – Council of Forest Industries (Coast).
- Jonathan Armstrong – Council of Forest Industries (alternate Coast).
- Dyon Armstrong – Council of Forest Industries (Northern Interior).
- Eric Hannula – Council of Forest Industries (alternate Northern Interior).
- John Hatalcik – Council of Forest Industries (Southern Interior).
- Jon Bredick – Council of Forest Industries (alternate Southern Interior).
- Kurt Niquidet – Council of Forest Industries.
- Russ Cameron – Independent Wood Processors Association (Coast).
- Warren Carter – Independent Wood Processors Association (Interior).
- Clint Parcher – Independent Wood Processors Association (Vancouver Island).
- Brian Brown – Independent Wood Processors Association.
- Mike Kemp – Independent Solid Wood Manufacturers.
- Duncan Chisholm – Independent Timber Marketers Association.
- Tim Walley – Independent Timber Marketers Association.
- Dennis Cook – Interior Logging Association.
- Todd Chamberlin – Interior Logging Association.
- Mike Thomson – North West Loggers Association.
- Barry Simpson – Truck Loggers Association.
- Dan Battistella – Interior Lumber Manufacturer’s Association.
- Craig Upper – Interior Lumber Manufacture’s Association.

Individuals who have issues they would like addressed by TSAC can either:

- Work with a representative in their area to have the issue brought to TSAC; or
- Contact the TSAC Secretariat directly and the Secretariat will forward the request to the Chair to decide the appropriateness of bringing the topic forward.

### **TSAC Secretariat:**

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