

2023/24 Estimates Debate Index

Ministry of Forests

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Budget 2023 Summary

Revised: March 7, 2023

Issue: Budget 2023 Summary for Operating and Capital

Response:

- The Ministry of Forests operating budget for 2023/24 is \$925.117M representing an increase of 12.2 percent (\$100.824M) from the 2022/23 estimates of \$824.293M.
- The increase is the result of budget decisions increasing Ministry Operations (\$60.802M), Fire Management (\$9.835M) and BC Timber Sales (\$30.187M).
- The capital budget for 2023/24 is \$92.856M, representing an increase of 17.3 percent (\$13.674M) from the 2022/23 estimates of \$79.182M.
- The increase is the result of funding increases to Fire Management (\$13.425M) and BC Timber Sales (\$0.436M) offset by a small decrease in Ministry Operations (\$0.187M).
- Additionally, not reflected in the increases above, the Ministry received Government Financial Information three years to implement Forest Landscape Plans, to continue the operations of the Forest Enhancement Society BC and to support the permitting project.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

Table 1: Operating Budget	2022/23 Restated Estimates (\$M)	2023/24 Estimates (\$M)	Increase (\$M)
Ministry Operations - increase includes: <ul style="list-style-type: none"> • Forest Enhancement Society BC - \$25M • Forest Service Roads Engineering - \$11.817M • Permitting - \$1.267M • Shared Mandate - \$20.915M • Budget 2022 decisions: Climate Program and Adaptation Strategy and former Minister of State – \$1.803M 			
Vote 30 Total	422.766	483.568	60.802
BC Timber Sales Special Account – increase includes: <ul style="list-style-type: none"> • Lift to align with Performance Targets and Resource Requirements – \$18.946M • Shared Mandate - \$4.983M • Budget 2022 lift to align with Performance Targets and Resource Requirements – \$6.258M 			
BCTS Total	206.742	236.929	30.187
Fire Management – increase includes: <ul style="list-style-type: none"> • Shared Mandate - \$4.585M • Budget 2022 decision: Fire Management internal resourcing approval - \$5.250M 			
Vote 31 Total	194.285	204.120	9.835
Crown Land Special Account	0.500	0.500	-
Forest Stand Management Fund	-	-	-
Total	824.293	925.117	100.824
Percent Change			12.2%

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Table 2: Capital Budget	2022/23 Restated Estimates (\$M)	2023/24 Estimates (\$M)	Increase (\$M)
Ministry Operations – increase includes: <ul style="list-style-type: none"> Forest Service Roads critical infrastructure replacements – \$4.5M Decreases include: <ul style="list-style-type: none"> Pre-Budget 2023 Decision that reduced current budget - Vehicles reduction – (\$3.103M) Reprofiling: specialized equipment and buildings reallocated to a later year – (\$1.584M) 			
Vote 30 Total	35.936	35.749	(0.187)
Fire Management – increase includes: <ul style="list-style-type: none"> Fire fighting equipment under new federal agreement – \$13.425M 			
Vote 31 Total	2.575	16.000	13.425
BC Timber Sales Special Account – increase includes: <ul style="list-style-type: none"> Decrease to align BC Timber Sales Roads with performance targets in road building – (\$2.649M) Budget 2022 lift based on anticipated increase in road building activity – \$3.085M 			
BCTS Total	40.671	41.107	0.436
Total	79.182	92.856	13.674
Percent Change			17.3%

Contact:

Sonja Martins ADM/EFO Corporate Services for the Natural Resources 250-889-1774

MINISTRY OF FORESTS
2023/24 Budget Highlights

OPERATING BUDGET: (\$925.117 M - an increase of \$100.824 M or 12.2 % from 2022/23 Restated)

The Ministry operating budget changes include:

Section A

Pre-Budget 23 Decisions that increase current Budget - \$13.311 M:

- o \$1.803 M Net increase in Ministry Operations based on: \$1.783 M approved lift for the Climate Program and Adaptation Strategy; \$0.018 M approved budget lift to the former Minister of State for Lands and Natural Resource Operations; and \$0.002 M approved budget lift for the Clean BC initiative.
- o \$5.250 M Net increase to the Fire Management Vote.
- o \$6.258 M Net increase in BC Timber Sales. In plan 22/23 costs were lower than 23/24 costs as they were based on previous year's costs of goods sold expenses.

Section C

Budget 23 Decisions - \$87.513 M:

- o \$11.817 M - Approved budget lift for Forest Service Roads
- o \$25.000 M - Approved Budget lift for Forest Enhancement Society of BC (FESBC)
- o \$ 1.267 M - Approved budget lift for Permitting / Authorizations
- o \$30.479 M - Approved budget lift for Shared Recovery Mandate
- o \$18.946 M - Approved budget lift to align BC Timber Sales Budget with performance targets
- o \$ 0.004 M - Approved budget lift for Minister's Office

CAPITAL BUDGET: (\$92.856 M (an increase of \$13.674 M) or (17.3%) from Restated 2022/23)

Section A

Pre-Budget 23 Decisions that reduce current Budget - (\$2.754 M):

- o (\$5.269 M) decrease represents the reduction needed to meet the vehicle replacement schedule.
- o (\$0.570 M) decrease represents funding reprofiled to 23/24 due to delay in project completion on Vanderhoof Fire Hanger project as a result of staffing shortages and supply chain issues
- o \$3.085 M BCTS in plan 23/24 costs were higher than 22/23 costs based on anticipated increase in road building activity

Inter-Ministry Program Transfers - No transfers

Section C

Budget 23 Decisions - \$16.428 M:

- o (\$1.014 M) - Decrease in Specialized Equipment due to reprofiling
- o \$ 2.166 M - Approved budget lift for vehicle replacements
- o \$ 4.500 M - Approved budget lift for Forest Service Roads
- o \$13.425 M- Approved budget lift for fire fighting equipment
- o (\$2.649 M) - Decrease to align BC Timber Sales Roads with performance targets

FTEs and Staffing

FTEs - Continue to be budgeted at a summary level for the Province.

Staff - TBD Complement of staff at January 1, 2023 was 3508, however this will change throughout the year, particularly in field and fire season when an additional 1,200 - 1,400 staff will be hired on a temporary basis.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Budget 2023 Refinement

Revised: March 7, 2023

Issue: Budget Transfer Summary

Response:

- The creation of the new Water, Lands and Resource Stewardship Ministry (WLRS) and the reorganization impacts to Ministry of Forests (FOR) were effective on April 1, 2022.
- After 2022/23 budgets were published, additional budget adjustments were required to align ministry programs with the budget allocations.
- FOR transferred an additional \$7.756M to WLRS to ensure budgets align with ministry programs.
- Minor transfers were also made to the Ministries of Environment, and Tourism, Arts, Culture and Sport.

Contact:

Sonja Martins

ADM/EFO

Corporate Services
for the Natural
Resources

250-889-1774

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Blueberry River First Nations and Other Treaty 8 Agreements

Revised: March 5, 2023

Issue: Implementing the Blueberry River First Nations (BRFN) Implementation Agreement and the Treaty 8 Consensus Document agreements

Response:

- The Ministry of Forests is committed to implementing the recently signed agreements with Treaty 8 First Nations, including the historic Blueberry River First Nations Implementation Agreement.
- These agreements are designed to address the cumulative impacts of industrial activity, which have negatively impacted their treaty rights, and specifically in Blueberry River's case, infringed on their Treaty rights.
- These agreements include changes to how and where resources are developed, and the details of these directions will be developed through collaborative planning with the Treaty 8 First Nations.
- Change can be challenging, and uncomfortable. I recognize we all, and especially residents in the Northeast, are facing change.
- We must insist on dialogue that is respectful for everyone. We must focus on our shared interests and what brings us together. We all care about the land, and to uphold our promise as treaty people – we are all treaty people.

If asked about the forestry sector:

- The Ministry of Forests is committed to working with the forest sector, First Nations, and local governments to reimagine a forest sector in the Northeast that is sustainable and meets the commitments in these agreements.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- I acknowledge that there will be change. Developing a new path for the forest sector in the Northeast will take time.
- The Ministry of Forests believes strongly that a forest sector that collaborates with First Nations and addresses Treaty rights will build a successful future.

If asked about permitting:

- I acknowledge there are existing applications for access to natural resources that Ministry of Forests will need to address collaboratively with Treaty 8 First Nations. I expect the processes outlined in the agreement will enable greater predictability into the future.
- Ministry of Forests is committed to collaborating with First Nations to build a working relationship and process that produces environmentally responsible and durable decisions in a predictable manner. It will take time to build this future state. That said, we are ahead of where we would be if we had litigated, and that is why this government is committed to collaboration not litigation.
- Focusing on a collaborative approach has resulted in an agreement with the Blueberry River First Nations supporting the Province's issuance of 340 forestry authorizations, which will support the forest sector in the Peace region in the near term.

If asked about public engagement:

- Agreements have been and will continue to be posted publicly once their signatories are ready, similar to any government-to-government agreement.
- The cross-government teams responsible for implementation are engaging local governments and stakeholders as part of the work.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- Four Treaty 8 First Nations have signed Letters of Agreement (Saulteau, Halfway River, Doig River and Fort Nelson) that are based on a co-developed “Consensus Document” which is a framework document addressing initiatives needed to better protect treaty rights and support responsible development.
- Agreement negotiations continue with three Treaty 8 Nations: West Moberly, Prophet River, and McLeod Lake. The Ministry of Indigenous Relations and Reconciliation (MIRR) anticipates negotiations may conclude by late March/early April.

Fiscal components of the agreements (with accountable ministry noted in parentheses):

- **BRFN restoration fund** (“Blueberry River Restoration Society”) ^{Government Financial} commitment by June 30, 2025 (Water, Land and Resource Stewardship (WLRS)).
- **Treaty 8 restoration fund** ^{Government Financial} commitment by 2031 (WLRS).
- **BRFN capacity funding** ^{Government Financial Information} for various components (MIRR).
- **Treaty 8 Nation capacity funding** (each) including FY22/23: ^{Government} years generally and shared ^{Government Financial Information} for stewardship, cumulative effects assessment and management, and land use planning activities (MIRR and WLRS).
- **Wildlife management**: All Treaty 8 Nations (including BRFN) shared: ^{Government Financial} years ^{Government} specific this FY (WLRS and Ministry of Forests).
- **Water quantity management**: BRFN/B.C. only: Up to ^{Government Financial Information; Intergovernmental Communications} specific to this FY (WLRS).
- **Incentive payments** for rapid development and restoration planning: BRFN - up to ^{Government} by 2025; Treaty 8 shared - up to ^{Government} by 2025 (MIRR and Ministry of Energy, Mines and Low Carbon Innovation (EMLI)).
- **Honouring the Treaty action plans**: BRFN - ^{Government}, Treaty 8 shared - ^{Government} (MIRR).
- **Revenue sharing** based on model for 10% of petroleum and natural gas (PNG) revenues: BRFN ^{Government Financial Information} minimum, can increase based on PNG activity generating royalties, ^{Government} min. specific to this FY; Treaty 8 – over ^{Government Financial Information} expected, will vary based on PNG activity generating royalties, with minimum contributions set by each First Nation (MIRR). ***No revenue sharing for timber harvesting.***

Forestry:

- The land protection and management measures negotiated in the Blueberry River First Nations Implementation Agreement and the Treaty 8 Consensus Agreement will have a significant downward pressure on available timber supply within the Peace District.
- The forest sector is a major employer in Northeast region. It is estimated to support approximately 7,700 direct, indirect, and induced jobs, which is

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Minister Responsible: Bruce Ralston

approximately 20% of the Northeast workforce (COFI 2019).

- The current total allowable annual cut for the Peace District is set at 4.846 million cubic meters per year.
- There are currently six primary timber processing facilities within the Peace District, which also support three smaller secondary facilities. The primary facilities are: Canfor Fort St. John sawmill; Canfor Chetwynd sawmill; Canfor Taylor Pulp; West Fraser Chetwynd Forest Industries sawmill; Louisiana Pacific Canada Ltd. Fort St. John Peace Valley Oriented Strand Board facility; and Louisiana Pacific Ltd. Dawson Creek siding facility.
- Combined, these facilities are estimated to directly employ approximately 1,060 people and utilize approximately 4.7million cubic meters of fibre annually.
- Canfor has recently announced the permanent closure of its Chetwynd sawmill and has indicated that it has no intention of re-opening their Taylor Pulp mill which has been curtailed since early 2022.

Permitting:

- Non-forestry decisions are diverse, ranging from wind power projects, to cattle ranching, to recreational cabins, and repairing in-stream bridge supports.
 - This includes authorizations made under authorities in the *Land Act*, *Water Sustainability Act*, *Range Act*, *Wildlife Act*, and *Mines Act*.
- Ministry of Forests, collaboratively with the other natural resource agencies, are working to develop a consultation process with the Blueberry River First Nations (BRFN) and other Treaty 8 First Nations.
 - Priority has been placed on guiding operational decisions with BRFN that are outside of the PNG and restoration areas which have specific processes outlined in the agreement.
 - Processes with other Treaty 8 First Nations will be developed with the support of a common technical table that will enable all Consensus Document signatory First Nations to discuss new approaches to consultation collectively.
 - From this collective discussion new consultation processes will be formed with each Treaty 8 First Nation in bilateral arrangements.
- The BRFN agreement includes a defined process for a large number of existing Ministry of Forests authorizations, and approval of 340 forestry decisions (schedule K of the agreement).
 - Schedule O (non-forestry) of the agreement includes 256 authorizations which will proceed via an expedited review process.
 - There are 240 other non-forestry authorizations not part of Schedule O that will proceed through the consultation processes noted above.

Contact:

Mike Hykaway ADM North Area Regional Operations 250-893-7516

2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Yahey Decision and Peace Region Moose Hunts

Revised: March 6, 2023

Issue: Yahey Decision and Peace Region Moose Hunts

Response:

- The Province has a duty to live up to its treaty obligations. Honouring this duty can also help create a pathway to improving wildlife management and establish certainty for the benefit of all British Columbians.
- The Province implemented a suite of hunting regulations and management actions towards meeting the Crown's obligations coming out of the Yahey vs. B.C. decision.
- These hunting regulations are aimed at addressing the ability of Treaty 8 First Nations to continue their way of life and begin to address the impacts of industrial development on the rights guaranteed in this Treaty.
- We are in year two of interim hunting regulation changes to address these obligations and they will be reviewed after this year as part of the next regular hunting regulation cycle.
- Broader opportunities for dialogue with Treaty 8 communities, industry, stakeholders, local governments, and the public will support this work, and ensure a collaborative path going forward.

If asked about compensation for closed hunts

- The Province is under no legal obligation to provide compensation for lost hunting opportunity as a result of a regulation.
- That said, my staff are working closely with affected guides, on how best to assist those impacted by the decision. That work is still underway.

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Advice to the Minister

Ministry: Forests
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Background/Status:

- The current interim hunting regulation in the Peace Region is a measure addressing the infringement of treaty rights by reducing hunting pressure and investing in inclusive wildlife co-management.
- The final changes, which seek to create space for improved dialogue and negotiation on the future of hunting in the Northeast, included;
 - Full closure of caribou hunting as precautionary measure,
 - A 50% reduction in harvest of moose and a 50% reduction in hunters to support First Nations in practicing their way of life and achieving their sustenance needs and,
 - Moose hunting was changed from General Open Season (GOS) to the more restrictive Limited Entry Hunting (LEH) in two of the region's four game management zones and hunting seasons were closed in specific areas of most concern to First Nations.
- Then Minister Conroy approved an allocation split of the available moose harvest for licensed hunters at a ratio of 90% for residents and 10% for guide outfitters.
- First Nations were involved in the regulation changes for moose and caribou.
- Results of the regulatory change has led to increased interest in regulatory change with First Nations across the remainder of the North (Skeena, Omineca Regions) as well as in the Cariboo Region.

Background on compensation:

- Conversations with individual guides as well as the industry association (Guide Outfitters Association of B.C.) are underway.
- Total lost hunt revenue is roughly estimated at \$1-1.5 M for moose and \$1.2 M for caribou.
- Previous legal review confirms the Province is under no legal obligation to compensate guide outfitters for closed or cancelled hunts, and there is no compensation framework under the Wildlife Act.

Advice/Recommendations; Government Financial Information

Contact:

Matt Austin

ADM

IROD

250-360-6317

2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCTS 2022/23 Performance

Revised: February 6, 2023

Response:

- On average, BCTS continues to achieve its goal of supporting the Market Pricing System by advertising over 20% of the planned provincial harvest volume for the year. However, due to the impacts of adjusting to the new old growth paradigm and reconciliation commitments, BCTS is not projecting to achieve this target in 22/23 or next fiscal in 23/24.

2022/23 Performance Summary:

Key Performance Measure	Target	Projection*	Variance
Annual Timber Volume Sold	6.3Mm ³	4.9Mm ³	(1.4Mm ³) ¹
Annual Timber Volume Developed	8.6Mm ³	4.4Mm ³	(4.2Mm ³) ²
Net Revenue	\$53.7M	\$109.1M	\$55.4M

2023/24 Performance Target Summary:

Key Performance Measure	Target
Annual Timber Volume Sold ¹	6.4Mm ³
Annual Timber Volume Developed ²	7.4Mm ³
Net Revenue	

Cabinet Confidences; Government Financial Information

¹ The government's old growth strategy has paused timber sales in identified areas adversely impacting volume sold production for the year.

² Development delays due to the government's old growth strategy combined with reconciliation activities, and managing wildlife are adversely impacting production.

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- BC Timber Sales (BCTS) acknowledges both considerable interest and values associated with old growth forests.
- Consistent with BCTS' overarching principle of sustainable forest management, BCTS staff undertake a variety of actions to manage, recruit, and conserve old growth forests and values across its operating areas.
- Maintaining access to harvesting opportunities in old growth stands, while managing associated values, is critical to BCTS achieving its primary goal of supporting the market pricing system as well as generating revenue and employment consistent with government's Economic Plan.
- BCTS is working collaboratively with its Ministry counterparts to implement all recommendations of the Old Growth Strategic Review, including deferrals of harvest within old growth ecosystems considered to be at very high risk.
- BCTS is actively pursuing partnerships with First Nations and re-engineering Timber Sale Licences impacted by the Old Growth decision and has recently seen an increase in auctions.

Background/Status:

- BCTS continues to play a critical role in the forest sector and the economies of rural communities.
- Each year on average BCTS continues to put over \$170M directly into communities through tendering of its service contracts.
- Its activities also directly support over 4,000 to 7,000 well-paying jobs each year.
- Since inception in 2003, BCTS has:
 - ✓ sold over 200 million cubic metres of timber into the forest economy through competitive auctions;
 - ✓ grown over 1.1 billion trees to support future forests; and,

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Advice to the Minister

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- ✓ earned about \$1.8 billion in net revenue for the province, the majority of which supported other government priorities such as education, health, parks and recreation.
- BCTS publishes quarterly and annual public performance reports. The 2022/23 Annual Performance Report will be available in late June 2023.
- BCTS is held publicly accountable for performance through the publication of its quarterly and annual reports. Treasury Board requires these same business plan achievements and also holds BCTS accountable for achieving the requirements of *Forest Act* s 109.
- BCTS is projecting to only achieve 78% of its target for timber volume sold in 2022/23.
- BCTS is projecting to sell less timber volume in 2023/24 than in previous years.
- Implementation of the government's Old Growth Strategy has significantly impacted BCTS' ability to sell timber this year and next fiscal. This combined with wildlife impacts and delays related to reconciliation with Indigenous peoples are the primary reasons for the reduction.
 - 2023/24 will be the fifth year of the 5-year BCTS business cycle. At the end of 2022/23 there was already a short fall in timber volume sold from 2020/21 and 2021/22. It is unlikely BCTS will be able to rectify this shortfall before the end of the business cycle March 31, 2024.
- BCTS is projecting to exceed its Net Revenue target for 2022/23 by about \$55M. The rates billed during the year were higher than expected as licensees took advantage of high lumber prices and continued to harvest high value timber and completed harvest of TSLs sold prior to the old growth decision.
- BCTS is projecting a lower Net Revenue for 2023/24 than earned in recent years. The rates paid for timber harvested are expected to maintain their level over the next year. However, the amount of timber volume harvested is expected to be much less than in previous years.

Contact:
Melissa Sanderson ADM - Timber, Range and Economics 250-812-7253

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Unused Volume Status

Revised: March 5, 2023

Issue: BCTS Unused Volume Status

Response:

- As of March 31, 2022, unused BC Timber Sales (BCTS) volume was approximately 34.5 million m³ provincially.
- The accumulation of unused volume relates primarily to:
 - historic Mountain Pine Beetle AAC uplifts that could not be fully attained,
 - remote/depressed markets (e.g., North Coast),
 - apportionment decisions delayed following Chief Forester AAC reductions, and
 - re-engineering delays and direct impacts from deferrals related to the of the Old Growth Technical Advisory Panel polygons.
- BCTS continues to retire unused volume to ensure sustainable harvest rates and is consistent with policy and procedures including consultation with First Nations.

Background/Status:

- BCTS is not governed by cut control provisions of the *Forest Act*.
- Under certain circumstances BCTS volume apportionment can remain un-auctioned or un-harvested due to reasons such as:
 - economics (lack of market),
 - reduction of Annual Allowable Cut (AAC) not reflected in the apportionment,
 - imposition of harvesting constraints to protect other resource values, or
 - lack of access due to First Nations concerns.

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- Until 2018, government policy had not provided mechanisms for reconciliation or retirement of un-auctioned or un-harvested BCTS volume apportionment, thus, a significant amount of unused BCTS volume has accumulated.
- As of March 31, 2022, unused BCTS volume was ~ 34.5 million m³ provincially and is projected to increase to ~ 40.8 million m³ by March 31, 2023.
- 75% (i.e., 25.8 million m³) of current unused BCTS volume has accumulated in ten Timber Supply Areas (TSAs)¹.
- The accumulation of unused volume relates primarily to:
 - historic Mountain Pine Beetle AAC uplifts that could not be fully attained,
 - remote/depressed markets (e.g., North Coast),
 - apportionment decisions delayed following Chief Forester AAC reductions,
 - impacts from deferrals related to the of the Old Growth Technical Advisory Panel polygons.
- BCTS amended (2020) its policy to clarify and streamline the process for retiring unused BCTS volume.
- The process for retirement of BCTS unused volume is aligned with the Ministry policy for retirement of non-BCTS unused apportioned volume.
- BCTS is actively participating in the implementation of the approved (2018) provincial policy that provides guidance on the management of unused volume.
- Initiatives to retire BCTS unused volume are underway in several TSAs.
- BCTS has retired an estimated 11.6 million m³ since 2018.

Contact:

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¹ Prince George TSA, Williams Lake TSA, Fort St. John TSA, Quesnel TSA, Kamloops TSA, Nass TSA, Kispiox TSA, Dawson Creek TSA, Robson Valley TSA, GBR North TSA.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Title: 2022 Wildfire Season

Revised: March 10, 2023

Issue: Recap of the 2022 Wildfire Season

Response:

- Despite underlying drought conditions, the 2022 wildfire season remained below normal in terms of number of fires and area burned statistics.
- The 2022 wildfire season started later than usual due to sufficient winter precipitation and a cool, wet spring.
- The 2022 fire season was characterized by above average lightning-caused fires and one of the lowest human-caused fires seasons.
- The unusual late warm and dry weather of the fall extended the wildfire season, with 'number of fires per week' records set in mid-October.
- A total of 17 wildfires were declared wildfires of note during the 2022 season compared to 67 wildfires of note in 2021.
- The total cost of the 2022 fire season was approximately \$408M. This is just slightly over the 10 year average for costs, which could be attributed to uplift in personnel and equipment.
- As of October 31, 2022, the BC Wildfire Service (BCWS) had detected 1,758 wildfires resulting in approximately 133,437 hectares of area burned.
- Comparatively in 2021, there were 1,610 wildfires and over 868,000 hectares burned.
- BC Wildfire service and partners demonstrated 89% initial attack success with only 11% of the fires exceeding five

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hectares in size, which illustrated effective initial attack response by fire crews, aircraft and heavy equipment.

Background/Status:

- Conditions remained cool and wet for much of the spring, paired with elevated snowpack, resulting in significantly lower wildfire starts and minimal growth of wildfires well into July 2022.
- As a result of a relatively slow season BC was able to lend assistance to several of its resource sharing partners, sending 450 personnel to assist the following agencies with the busy start to their fire seasons: Alberta, Yukon, Parks Canada, NWT, Alaska and Oregon.
- In August there were double the number of lightning-caused wildfires compared to the 20-year average, with over 68% of fires in 2022 resulting from lightning.
- As a part of Crew Modernization efforts BCWS has increased the size of 20% of its 145 initial attack crews from a 3 to a 4-person configuration to meet increased leadership demands, training and mentoring of new staff.
- BCWS Incident Management Teams (6) were deployed 18 times for 229 days managing complex fires during the 2022 season.
- Although overall fewer large impactful fires, the significant fires BCWS responded to allowed for testing of strengthened partnerships with First Nations, industry, local governments, and additional provincial government ministries.
- Fires in the wildland urban interface (WUI) continue to be problematic and require a higher number of structure protection assets and personnel being deployed.
- At the peak of the 2022 fire season 55 different Fire Departments had personnel and assets deployed to support the province's wildfire response efforts.

Contact:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCWS Prevention and Risk Reduction

Revised: March 22, 2023

Issue: Wildfire Prevention and Risk Reduction

Response:

- The Province has invested approximately \$485M across numerous funding streams and initiatives to date since 2004 for both crown land and community-focused wildfire risk reduction.
- Since the devastating 2017 fire season, the Province has invested \$320M into Wildfire Prevention and Mitigation programs in British Columbia.
- BC Wildfire Service (BCWS) Prevention program administers the Community Resiliency Investment (CRI) to address wildfire risk reduction on crown land and in communities across B.C. with two key complementary funding categories: FireSmart Community Funding and Supports (FCFS), and Crown Land Wildfire Risk Reduction (CLWRR).
- As part of Budget 2022, the B.C. government announced a \$40M per year commitment to reduce wildfire risk, including the CLWRR program, wildfire resiliency partnerships, cultural burning and prescribed fire, and the FireSmart program.
- BCWS is strategically filling gaps in wildfire resiliency funding, and has partnered with the Columbia Basin Trust, Farmland Advantage, BC Cattlemen's Association, Fire Chief's Association of BC, Community Forest Association, and BC Ministry of Agriculture and Fisheries to support wildfire risk reduction initiatives across the province.

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- The FireSmart program has significant increases in community participation across the province.

Background/Status:

- **Community Resiliency Investment (CRI) Program**

- FireSmart Community Funding and Supports (FCFS):

- Launched in 2018 with an initial investment of \$60M for 3-5 years, FCFS funds regional districts, municipalities, and First Nations for wildfire risk reduction activities.
 - Funding is administered by the Union of B.C. Municipalities (UBCM) and is coordinated with First Nations Emergency Services Society (FNESS) for applicable communities.
 - As part of Budget 2022 the B.C. government allocated \$90M to support the continuation and expansion of the CRI program and the BC FireSmart Committee over the next three years, with an additional \$10M allocated in 2023 to extend funding until 2028.
 - The dispersed funding per year since program launch are as follows:

FCFS Intake Year	Total Dispersed*
2019	\$ 8,172,180
2020	\$ 10,237,273
2021	\$ 14,374,647
2022	\$ 14,974,045
2023 (as of Feb. 2023 – intake ongoing)	\$ 1,349,555
Total	\$ 49,107,700

*Table note: *the total amount of approved funding is \$53.7M, though some applicants later did not receive full approved funding due to withdrawn applications or projects that came in under budget.*

- From the Ministry year end budget surplus in 2022, \$5M additional will be invested into FNESS for program support for First Nations communities in high-risk wildfire areas to build their relationship with wildfire on the land base, with a focus on reducing barriers to access for funding through FCFS.
 - Crown Land Wildfire Risk Reduction (CLWRR):
 - CLWRR was launched in 2018 as part of CRI, evolving from the Strategic Wildfire Prevention Initiative (SWPI) which BCWS administered until 2018.

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- Between 2004 and 2017, SWPI funded approximately \$78M of wildfire risk reduction projects. Outside of SWPI, the average budget allocation towards prevention ranged from \$1M to \$3M annually.
- CLWRR is coordinated with BC Parks MoF Regional Operations, the Range Branch, and the Ministry of Tourism, Arts, Culture and Sports' Mountain Resorts Branch.
- Total funds expended since CLWRR program launch are as follows:

Fiscal Year	CLWRR Program
2019/2020	\$ 7,316,203
2020/2021	\$ 15,566,420
2021/2022	\$ 16,641,961
2022/2023	\$ 18,000,000*
2023/2024	\$ 25,000,000 **
Total	\$59,641,961

**this number is an estimate based on ongoing end of fiscal year reporting, journal voucher processing, and surplus returns.*

***this is an estimate based on Annual Operating Plan development that includes salary, increased provincial target delivery allocations of \$19M, and expanded implementation of cultural burning and prescribed fire.*

- A permanent resourcing strategy to provide long-term stability for dedicated CLWRR positions was announced in early 2023 with 37 full-time positions.
- In 2020, the B.C. government invested approximately \$20M into complementary CRI and FireSmart initiatives as part of the economic recovery program to support local communities and organizations.
- FireSmart:
- The FireSmart program focuses on the shared responsibility of wildfire resiliency for every person and jurisdiction in B.C., led by the BC FireSmart Committee (BCFSC) and its strategic plan to guide prevention and mitigation work for the next five years.
 - The BCFSC is chaired by the BCWS, and includes Emergency Management and Climate Readiness (EMCR), MoF Regional Operations, FNESS, FESBC, BC Parks, Fire Chief's Association of BC, BC Office of the Fire Commissioner, Parks Canada, Indigenous Services Canada, FireSmart Canada, and UBCM.
 - Approximately \$5M of the \$40M annual budget for BCWS Prevention is directed towards the FireSmart program.
 - FireSmart Recognized Neighbourhoods in BC grew by 17 in 2021, with 41 new neighbourhoods recognized in 2022.

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- In 2022, 197 additional Local FireSmart Coordinators were trained, and 37 full time FireSmart Coordinators were hired with Local Governments, Regional Districts and First Nations.
- The Columbia Basin Trust partnership:
 - Initially launched as part of the BC Economic Recovery Plan, became the Columbia Basin Wildfire Resiliency Initiative in 2022/2023 with an investment of \$2.5M to support expanded wildfire risk reduction in the Columbia Basin.
 - To date, there have been 20 projects supported in 18 communities.
 - This partnership will be continued in 2023/2024 with an additional \$1.5M.
- In 2022, Forest Enhancement Society of BC (FESBC) received \$25M to support industry in reducing wildfire risk. BCWS and FESBC developed a complimentary funding program for wildfire risk reduction and fibre utilization for communities adjacent to high risk crown land. FESBC has been provided \$50 million in Budget 2023, a portion of which will continue to fund wildfire resiliency work.
- An overview of major wildfire resiliency investment since 2004:

Program/funding stream	Year(s)	Approximate funding
SWPI	2004-2017	\$78M
BCWS wildfire resiliency & risk reduction	2004-2017	\$28M (average \$1-3M per year)
BCWS wildfire resiliency & risk reduction	2018-2022	\$75M
Economic Recovery FireSmart initiatives	2020	\$20M
UBCM funding (CRI: FCFS)	2018-2022	\$60M
UBCM funding (CRI: FCFS)	2023-2028	\$100M
BCWS wildfire resiliency and risk reduction (inclusive of prescribed fire/cultural burning)*	2022-2023	\$40M
FESBC	2016-2017	\$3.6M
	2018-2023	\$75.8M
FNESS community support	2023	\$5M
Total**	2004-present	\$485.5M

**ongoing annual funding announced in Budget 2022, includes research initiatives and approximately \$7M in wildfire risk reduction partnerships funding (CBT, Farmland Advantage, Community Forest Association, etc.)*

***total is to be considered a high-level estimate of major funding since 2004; does not demonstrate budget surplus reallocations towards other wildfire resiliency grants or projects (such as fuel reduction projects with BC Cattlemen's Association, for example)*

Contact:

Ian Meier

ADM BC Wildfire Service

250-643-0078

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Forest Landscape Plans (FLP)

Revised: March 8, 2023

Issue: Eight new Forest Landscape Plans will be developed, in addition to the existing four pilot projects, providing a vital opportunity to partner with Indigenous Nations in developing forest management direction.

Response:

- Forest Landscape Plans (FLP) establish clear objectives and direction for the management of forest resource values over a defined area.
- The FLP will direct where and how forest management activities such as harvesting and roadbuilding can occur.
- Forest Landscape Planning is intended to respond to challenges that BC's forest sector has experienced in the last decade by:
 - Implementing the Old Growth Strategic Review by providing a platform to implement recommendations including protection of old growth and the Biodiversity and Ecosystem Framework.
 - Implementing measures to combat climate change.
 - Reducing wildfire risk.
 - Supporting reconciliation with Indigenous Nations and initiating the process of aligning BC's forestry framework with the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act).
 - Confirming sustainable forest harvest levels to support BC's economy.
 - Creating more resilient forests and rangelands.
- FLPs will be developed by the province in partnership with Indigenous Nations, while engaging with forest licensees, other tenure holders and local communities.

2023/24 Estimates Note Advice to the Minister

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Minister Responsible: Bruce Ralston

Background/Status:

- Forest Landscape Planning was enabled through Bill 23 during the 2021 fall session of the legislature. Regulations are currently under development to bring the FLP framework into force.
- FLPs will apply to volume based tenure holders that operate within Timber Supply Areas (TSA), Tree Farm Licences, and to larger Community Forest Agreement (CFA) and First Nations Woodland Licence (FNWL) holders. Smaller CFAs and FNWLs holders will continue to follow the current planning requirements as Woodlot licensees.
- FLPs will provide direction for new Forest Operations Plans (FOP) that will be developed by forest tenure holders, describing how and where proposed cutblocks and roads will occur.
- There are four FLP pilot projects underway in partnership with First Nations, communities, and the forest sector:
 - Sunshine Coast TSA
 - Quesnel TSA
 - 'Namgis and Western Forest Products TFL37
 - Lakes TSA Resiliency Project
- These pilot projects are informing the development of FLP related regulations and policy direction for future FLPs.
- In February 2023, government committed to initiating eight new FLPs, and providing \$25 million over three years to develop these plans, including \$14M in capacity funding for Indigenous Nations.
- These eight new plans will support government's commitments to implementing short and long-term management direction for old growth forests, as well as direction for a range of forest related values.
- Discussions are underway to confirm agreements with Indigenous partners on the proposed eight new planning areas.

Contact:

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2023/24 Estimates Note
Advice to the Assistant Deputy Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Indigenous participation in Forest Landscape Planning

Revised: March 9, 2023

Issue: Bill 23 enables collaborative landscape planning with Indigenous Nations and the implementation of shared decision-making agreements negotiated under S.7 of the *Declaration Act* for key decisions.

Response:

- In 2021, Bill 23, the *Forest Statutes Amendment Act*, introduced the new Forest Landscape Planning (FLP) framework which will replace the current Forest Stewardship Plans (FSPs) over time.
- Bill 23 also introduced important changes to ensure that Indigenous Nations have a central role in the new Forest Landscape Planning (FLP) framework.
- Amendments in Bill 23 enable the potential for joint decision-making agreements negotiated under s. 7 of the *Declaration Act* for key FLP related decisions. These would require a Cabinet mandate.
- Where a section 7 agreement is not in place, the Chief Forester must consult and cooperate with an Indigenous Nation or Indigenous Governing Bodies by agreement or via the legislated process before establishing an FLP.
- These legislative mechanisms ensure that Indigenous Nations and Indigenous Governing Bodies have the opportunity to participate in a government-to-government process, thereby creating the space to contribute meaningfully to the decision which impacts their traditional territories.
- There are 23 Indigenous Nations actively participating in four FLP pilot projects that are currently underway.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- Eight new FLPs are also being initiated this year with an estimated 56 Nations participating in these plans.

Background/Status:

- There are currently four active FLP pilot projects underway across the province with the following Indigenous Nations participating:
 - Quesnel TSA:
 - ?Esidlagh First Nation, Ulkatcho First Nation, Xat'sūll First Nation, Saik'uz First Nation, Nazko First Nation, Lhtako Dene Nation, Lhoosk'uz Dene Nation
 - Sunshine Coast TSA:
 - Squamish Nation, shíshálh Nation, Tla'amin Nation, Homalco First Nation, Klahoose First Nation
 - Lakes TSA:
 - Cheslatta Carrier Nation, Lake Babine Nation, Ts'il Kaz Koh First Nation, Office of the Wet'suwet'en, Nadleh Whut'en First Nation, Nee-Tahi-Buhn Band, Skin Tyee Nation, Stellat'en First Nation, Wet'suwet'en First Nation, Tl'azt'en Nation
 - TFL 37:
 - 'Namgis First Nation
- Indigenous Nations participating in current FLP pilots have been receiving annual funding through the Indigenous Funding Program (IFP) to compensate them for their time, skills and knowledge contribution.
- In FY2022/23, FLP pilots received a total of \$1.35M in IFP funding for Indigenous participation, and are requesting \$1.156M for continued participation in FY2023/24
- In February 2023, government announced a commitment to initiating 8 new FLPs, and committed \$14M in contingency funding over 3 years to support Indigenous partnership in these new FLP's.
- Forest Landscape Plans:
 - Define outcomes and planning guidelines for forest management
 - Are established by legal order, by the Chief Forester
 - Apply to Timber Supply Areas, Tree Farm Licenses, and Community Forest Agreements & First Nations Woodland Licenses (FNWL) of a certain size. Woodlots and small CFAs and FNWLs are exempt.

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- Are developed in partnership with Indigenous Nations and Indigenous Governing Bodies with engagement from licensees, and input from stakeholders & local communities
- Are required to report to the public on plan performance every 5 years.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Forest Revenue Sharing with First Nations

Revised: March 14, 2023

Issue: Overview of FOR strategic forestry accommodation and revenue sharing programs

Response:

- Since 2003, FOR has transferred over \$705 M in forestry revenue to First Nations for potential impacts to Rights and Title. These transfers are enabled through Forest Consultation and Revenue Sharing Agreements (FCRSAs) and Strategic Forestry Envelope (SFE) Agreements.
- FCRSAs provided ~\$106 M to 136 FN in 22/23 fiscal, compared to \$58.6 M in FY 21/22. This increase was the result of 2022 revenue sharing uplifts to the FCRSA model which amounted in an additional ~\$47.4 M shared per year.
- FOR also funds priority engagements, and strategic initiatives with Indigenous Nations and organizations through the Indigenous Funding Program (IFP).
- The Province is committed to developing a comprehensive New Fiscal Framework (NFF) with First Nations to replace the existing FCRSA program.

Advice/Recommendations; Government Financial Information; Intergovernmental Communications

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Minister Responsible: Bruce Ralston

Background/Status:

- **Forest Consultation and Revenue Sharing Agreement (FCRSA)** program was developed in 2003 to provide accommodation for the impact of forestry activity within First Nations' traditional territories; providing over \$705.6M in forestry revenue-sharing with First Nations throughout the province.
 - In 2022/23, ~136 First Nations held executed FCRSA agreements, allocating approximately \$107M in revenue sharing to First Nations (compared to \$58.6M in 2021/22)
Advice/Recommendations; Government Financial Information
- **Indigenous Funding Program (IFP)** is a MIRR-led base budget program with funding criteria for priority engagements, agreements, and strategic initiatives with Indigenous Nations and organizations.
 - In FY23, FOR accessed IFP funding for 73 projects totalling approximately \$24.3M
- **Strategic Forestry Envelope (SFE)** is a subprogram under IFP and was developed in 2016 to provide forestry accommodation measures. SFE supports First Nations across BC to: 1) purchase tenure or forestry business assets; 2) build the capacity required to fully engage in business partnerships and, 3) conduct studies and analysis to better inform strategic land management.
 - From FY2015/16 to FY2022/23, the Province has signed approximately 440 Agreements with 130 First Nations, constituting \$80M of funding. In FY23, FOR was allocated \$9.5M for SFE projects; Advice/Recommendations; Government Financial Information
Advice/Recommendations; Government Financial Information
- First Nations continue to assert that the current revenue sharing efforts are not in alignment with the commitment of government to implement UNDRIP and the TRC's Calls to Action. With the passing of the *Declaration on the Rights of Indigenous Peoples Act* in Fall of 2019, First Nations' expectations for a renewed and increased revenue sharing model are heightened. .

Contact:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Forest Worker Community Supports and Council

Revised: March 21st, 2023

Issue: Support programs to mitigate economic disruption in rural B.C. communities as a result of changes in the forest sector

Response:

- The Forestry Worker and Community Supports have been a welcomed and successful suite of supports for workers, communities and businesses experiencing impacts related to changes in the forest sector.
- We recently added the BC Manufacturing Jobs Fund to an already comprehensive and coordinated suite of supports targeting forest dependent communities.
- The Forestry Worker Supports and Community Resiliency Council, announced in October 2022, provides guidance and advice to government on the development of new initiatives and improvements for existing programs. The Council is comprised of members representing communities and diverse perspectives throughout BC. In this work, the Council will support the Province in ensuring BC's forestry workers and communities are well-supported and will have the opportunities they need for long term economic resilience.

Background/Status:

- In response to changes in the forest sector and the expected job loss, government announced the Forestry Worker and Community Supports (FWCS) suite of programs in Fall 2021.
- The FWCS is a suite of programs offered by the ministries of Jobs, Economic Development and Innovation (JEDI), Post-Secondary Education and Future Skills (PSFS) and Labour (LBR) to support impacted workers, businesses, and

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Ministry: Forests
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communities. The Ministry of Forests supports JEDI, PSFS, and LBR with the delivery of these programs.

- A contingency allocation of \$185M towards the FWCS over three years FY2022/23 to FY 2024/25 included the following programs through JEDI:
 - Forest Employment Program (FEP):
 - Creates short-term employment to help forest and land-based contractors explore new work. FEP is an internally administered program. Individual projects funded through FEP are led on the ground by staff throughout Regional Operations, who manage individual contracts. The Program creates short-term employment opportunities in areas acutely affected to reduce the impact of job losses on the communities.
 - Rural Business and Community Recovery Initiative (RBCRI):
 - Hires advisers to help create jobs and support rural businesses and communities in hard hit areas. The funding will be distributed through regional programs administered by the Northern Development Initiative Trust, the Economic Trust of the Southern Interior and the Island Coastal Economic Trust. Each trust will receive \$1.5 million.
 - Enhanced Community Transition Services:
 - Ensures supports are in place for workers and communities after a community transition event (e.g. mill closure).
 - Rural Economic and Diversification Infrastructure Program (REDIP):
 - REDIP is a new grant launched by the Ministry of Jobs, Economic Development and Innovation (JEDI) to promote economic diversification, clean growth and infrastructure development. Eligible applicants include local governments, regional districts, indigenous communities and organizations, indigenous development corporations, and not-for-profits.
- The \$185M also included funding for:
 - Bridging to Retirement (LBR):
 - Offers forestry workers, 55 and older, up to \$75K to help transition to retirement.
 - Skills Training for Job Pathways (PSFS):
 - Connects affected workers and communities with skills training opportunities.
- As part of the original FWCS suite of programs, the BC Manufacturing Jobs Fund (MJF) was announced in February 2023 to support value-add manufacturing with an additional \$180M in funding for FY2023/24 to FY2025/26.
- The Forestry Worker Supports and Community Resiliency Council (FWSCRC) was formed in October 2022 and is comprised of 21 members from local government, Indigenous communities, the forest sector and labour

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representatives, academia, and non-governmental organizations. The mandate of the Council is to advise on existing and new FWCS programs:

1. Advise the Province on the implementation of the Old Growth Strategic Review, Recommendation 14: *Supporting forest sector workers and communities as they adapt to changes resulting from a new forest management system.*
 2. Inform government's vision for resilient, thriving communities through the development of innovative and forward-looking economic development and diversification initiatives.
- The FWSCRC is chaired by Parliamentary Secretary of Forests, Doug Routley. The Ministry of Forests is the lead of the FWSCRC.

Contact:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Groundwater Authorizations and Compliance

Revised: March 21, 2023

Issue: Licencing challenges related to pre *Water Sustainability Act* groundwater users

Response:

- Ministry of Forests and other agency staff are working to develop process efficiencies to address the huge groundwater licensing workload.
- Budget 2023-24 includes new funding and staff resources to help address this challenge.

Background/Status:

- In preparation for the *Water Sustainability Act* (WSA) coming into force on February 29, 2016, it was estimated that about 20,000 existing groundwater wells would require authorization.
 - Subsequent analysis indicates the number may be considerably higher, possibly about 30,000.
- Initially a three-year period was provided for pre-WSA groundwater users to apply for an authorization. Few applications were submitted, and the period was extended to six-years (to March 1, 2022).
- An outreach effort and direct mail out to known groundwater users was implemented, particularly in the final few weeks before the March 1, 2022, deadline.
- When the deadline passed, only 7,800 applications had been submitted. Many users chose not to apply or remained unaware of their accountability to apply for a licence.
- Of the 7,800 applications for pre-WSA groundwater licences, only about 1,300 have been processed and authorized. Approximately 6,500 applications remain in the backlog. At current rates of completion, it will take many years to complete the remaining applications.
- Very limited compliance and enforcement work has been done to address the thousands of estimated unauthorized groundwater users.
- Enforcement is controversial with the public and takes significant, dedicated effort from trained and experienced staff. Current enforcement efforts will take many decades to achieve compliance with the WSA.

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- Without a substantial change in the current efforts, backlog groundwater applications and substantial non-compliance with the WSA groundwater requirements will persist for many years.

Coast specific statistics:

- West Coast Region received 1,761 valid EUGW applications and have completed 104, leaving 1,657 in backlog awaiting decision.
- South Coast Region received 2,000 valid EUGW applications and have completed 400 and have 1,600 waiting on decision.
- Despite the apparent intent to 'grandfather' existing groundwater usage, EUGW authorizations are statutory decisions under the WSA and require Section 35 consultation.
- EUGW consultation has been challenging, as Nations in water-scarce watersheds are generally concerned about cumulative effects and climate change, and First Nations are not granted prior water use rights under the WSA.
- West Coast Region does not have an estimate as to the number of existing groundwater users who did not apply, South Coast estimates its over 15,000.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Mill Curtailments and Timber Supply

Revised: March 24, 2023

Issue: Declining timber availability, factors influencing mill curtailments/closures, and supports for forestry workers

Response:

- Our hearts go out to the affected workers and their families dealing with curtailments caused by weakening markets and changes in the forest sector.
- The Ministry of Forests remains focused on the continuity of fibre supply to mills, stabilizing harvest levels, and the sustainability and stewardship that's required to support the transformation of the forestry sector, through collaboration with Indigenous partners, industry, and communities.
- B.C. recognizes that reconciliation with Indigenous peoples is integral to bringing stability to the forest sector and is an underpinning in modernizing forest policy in BC.

Investment in Forest Worker and Community Supports (FWCS)

- The Province recognizes the challenges facing the forest industry and is providing \$185 million over the next three years to provide enhanced support to forestry workers, contractors, communities, First Nations, and businesses to lessen the impacts from mill closures and curtailments as a result of downturns in the forest sector.
- In addition, B.C. has invested \$50 million to increase getting fire damaged wood to B.C. mills.
- As part of the original FWCS suite of programs, the BC Manufacturing Jobs Fund (MJF) was announced in February 2023 to support value-add manufacturing with an additional \$180M in funding for FY2023/24 to FY2025/26.

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This program will drive clean and inclusive growth to those areas affected by economic impacts or downturns, and create thousands of stable, good-paying jobs.

- We are also focusing on supporting value-added wood products to generate more value from each log. An example of this support is the new B.C. Timber Sales Category Value-Added program, which will give small and medium-sized forestry manufacturers the ability to apply for Timber Sale Licences, improving their access to fibre.

If asked about FWCS program details, refer to FWCS note.

Background/Status

- Number of current publicly announced permanent operating changes since January 2021 and current temporary changes in March and April 2023 by area (details in Appendix 1):
 - North Area: ten permanent changes, one temporary;
 - South Area: four permanent changes, four temporary; and
 - Coast Area: two permanent changes.

Advice/Recommendations

- From 2021 to March 23rd, 2023, there are five publicly announced, temporary curtailments that are scheduled or active. They are in Quesnel, Castlegar, Mackenzie, Kamloops, and across Interfor's manufacturing facilities (Adam's Lake, Castlegar, Grand Forks).
- From 2021 – March 23rd 2023, there have been eight permanent operating changes announced: four full facility closures, one partial mill closure, and three shift reductions.
 - There have been nine indefinite closures, of which: seven were full facility closures, one was a shift reduction, and one was a partial mill closure.
- In total, there have been seventeen permanent and indefinite curtailments from 2021 to March 23, 2023:
 - nine lumber mills, three pellet mills, three pulp mills, one pulp and paper mill, and one plywood mill.
- More than 1,900 workers have been impacted due by the permanent and indefinite closures in B.C. from 2021 to March 23rd, 2023.
- The majority of curtailments and closures in late 2022 and 2023 have cited fibre supply issues and low lumber prices.

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- The following communities have been impacted due to publicly announced permanent closures and indefinite curtailments since 2021: Prince George, Houston, Quesnel, Mackenzie, Chetwynd, Fraser Lake, Midway, Port Alberni, Powell River, Taylor, Terrace, Vanderhoof, Kelowna and Williams Lake.

Factors influencing mill closures and curtailments:

- Economic viability and access to fibre: High transportation costs to access and remove fibre from remote areas and access to harvest residuals beyond a certain radius currently limits total fibre availability.
- Operational land constraints: Evolving land use objectives and conservation strategies, such as Old Growth, First Nations planning initiatives and caribou habitat management, are operationally constraining the timber harvesting land base. Although FOR remains focused on stewardship and sustainability objectives, these constraints are impacting the timber supply and AACs.
- Declining fibre markets and access: Declines in both the national and international fibre markets following Covid-19 restrictions and supply chain recovery are having lasting effects on the global demand for fibre, wood-based, and value-added products.
- Outdated milling infrastructure: Many facilities face challenges with technology as the timber profile of available fibre shifts (species/size/quality). Many facilities require updates to equipment and infrastructure or full site redevelopment to efficiently manufacture the available fibre or shift to value-added production.
- Transportation: Shortages in trucking and rail transportation challenges have been impacting the BC interior. Several mills have sited this challenge as an increasing contributor to their decision to curtail operations.

Supports for Forestry Workers, Communities, and First Nations:

- With support from the Ministry of Forests, the Ministries of Labour, JEDI, and PSFS have a suite of supports for workers, communities and First Nations to offset economic and community impacts resulting from downturns in the forest sector.
- This includes skills training, short-term employment opportunities, employment assistance, and retirement transition support for workers who are 55 years old or older. Budget 2022 committed \$185M over three years for these programs.
- Government has also established a Forestry Worker Support and Community Resiliency Council (FWSCRC) chaired by Parliamentary Secretary Routley, to provide further advice on community and worker support.
- Worker transition supports will continue as long as the need is identified by the local government and key stakeholders. Economic development supports will continue beyond the transition response as part of a comprehensive strategy towards long term community sustainability.

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Contact:

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Jamie Jeffries	ADM	South Area Regional Operations	250-819-2216
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Appendix 1: Curtailments and Closures by Area

North Area:

- Many timber supply areas in the North Area are experiencing declining timber supplies and reductions to the allowable annual cut (AAC) because of wildfire and beetle disturbances, unstable harvest levels, and planning and operational constraints (e.g., First Nation initiatives and old growth deferrals).
- Primary operators in the Northeast are Canfor, West Fraser and Louisiana Pacific. Canfor's Chetwynd lumber facility announced permanent closures in January 2023 and their Taylor Pulp facility is under indefinite curtailment while Canfor explores alternative uses for the site. Peak Renewables has purchased facilities in Fort Nelson and Dawson Creek TSAs but they are not operating yet.
- Two pulp mills, three sawmills, and one biomass and pellet plant in northern B.C. have announced permanent closures, and another ten mills have undergone temporary curtailments or shift reductions in 2023 so far (nine publicly announced, one privately).
 - North Area Mill Closures in 2023:
 - Canfor Prince George Pulp and Paper – Permanently closed the pulp line.
 - Canfor Chetwynd Sawmill – Permanent closure.
 - Canfor Houston Sawmill – Extended closure, estimated 2-3 years, while the Board decides on the redevelopment of the site.
 - Terrace Skeena Sawmills – Indefinite closure.
 - Canfor Taylor Pulp -Indefinite closure while re-evaluating facility opportunities.
 - Pacific Bioenergy – Permanent closure (2022).
- These closures have resulted in a total loss of approximately 1,120 jobs, and an annual milling capacity loss of approximately 560,000 tonnes of pulp, 750 million board feet of lumber, and 285,000 tones of pellets.

South Area:

- Tolko has restarted their Soda Creek mill in the Williams Lake TSA following a three-month closure.
- In the Williams Lake TSA West Fraser permanently removed a shift from their William's Lake sawmill. There have been no permanent facility closures though.
- In the Kamloops TSA, Tolko announced the temporary curtailment of the weekend drying and graveyard lathe shift starting the first week of April at their Heffley Creek mill in Kamloops. The curtailment is due to a drop in the demand for some of its wood products and fibre availability in the area. According to the company, the impacted workers will be redeployed.
- Aspen Planers (AP) continues to operate with challenges with cutting permits in the Merritt TSA. They have been bringing in coastal wood as well as wood from

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Lillooet and neighbouring TSAs. They were also successful in a large Timber Sale Licence. They continue to message in the media that they will have to shut down without new Cutting Permits being issued and fibre security.

Protests/Rallies are being held weekly in the community of Merritt. Work is underway with AP and local FN to complete consultation on submitted blocks.

- Vaagen in Midway closed due to lack of stable fibre supply, affecting 92 direct employees and 110 contractors. The intention is to reopen if they are able to secure greater fibre stability.
- Permit development and approvals have been difficult due to first Nations review times and expectations.
- Allowable cut in most units in Kootenay Boundary have been stable, with the exception of a 10 and 17% reduction in Cranbrook and Invermere due to steep slopes. Significant reductions are expected due to Old Growth, Caribou and First Nations expectations in future determinations.

Coast Area:

- In January 2023, Western Forest Products, Alberni Pacific Division in Port Alberni announced an indefinite closure of its operations. The mill produces lumber from western hemlock and employed 100 staff. Reasons described for indefinite shutdown include fibre shortage and uneconomical operations.
- The Ministry of Forests has received several requests from Interfor Corporation to sub-divide and transfer several forest tenures on the coast. Indigenous communities are actively negotiating the acquisition of these tenures with Interfor directly.
- Cedar shake and shingle mills in the lower mainland have approximately 6 months supply left before fibre shortage impacts are felt and mill curtailments begin.

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Advice/Recommendations

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Title: Pending mill closure of Vaagen mill at Midway

Revised: March 7, 2023

Issue: Vaagen Mill Closure

Response:

- Ministry staff are working hard to provide short-term solutions while long term solutions for a more certain fibre supply are being explored:
 - Opportunities for Vaagen to complete Wildfire Risk Reduction (WRR) harvesting have been identified by FOR. This will benefit both the company and the surrounding communities.
 - Osoyoos Indian Band, who partners with Vaagen, has been offered Non-Replaceable Forest Licenses (NRFL) volume and Wildfire Salvage Opportunities (WSOA).
 - BC Timber Sales (BCTS) is expediting volume in this area and prioritizing Category 2 Timber Sale Licenses.
 - FOR staff are exploring opportunities for Vaagen employees to benefit from the Forest Employment Program.

Background/Status:

- The Vaagen Fibre Canada (Vaagen) mill near Midway employs 92 people. It is family owned and has been in operation since 2011.
- Vaagen is untenured and purchases all logs on the open market. Logs are sourced primarily from BC Timber Sales, partnerships with the Osoyoos Indian Band (OIB), the local community forest, woodlot and private landowners in addition to trading agreements with major licensees.
- On September 16, 2022, Vaagen notified the Ministry of an impending extended curtailment as a result of declining lumber prices and cost effective fiber supply challenges. As of February 25 the mill is shut down for an undetermined length of time.

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- In the fall of 2022 the OIB was offered a NRFL through the Kootenay Boundary Region and a WSOA through the Thompson Okanagan Region. Development of these licenses will occur in the spring/summer of 2023 and will be a fibre source to Vaagen by fall 2023.
- On January 9, 2023, Deputy Minister Rick Manwaring, Assistant Deputy Minister Jamie Jeffreys, and Executive Director Russ Laroche met with Vaagen in-person to discuss the challenges facing the Midway mill and a range of potential fibre opportunities.
- Vaagen wants to get the mill running but needs a different fibre model and may consider re-tooling the mill. The mill cannot restart without a clear path to fibre certainty.
- Recent challenges related to old growth deferrals, First Nations engagements and staffing have greatly impacted BCTS's ability to meet their goals related to timber sales volume in this area. Vaagen is a Category 2 BCTS registrant.
 - On partnering with First Nations:
 - Ministry staff will be reviewing if further undercuts exist in this area to see if additional Non-Replaceable Forest Licences (NRFL) volume can be allocated to First Nations in the area that Vaagen works closely with (such as Osoyoos Indian Band).
 - An invitation to apply for the NRFL was sent to OIB in November 2022. Government is consulting on the NRFL award. Vaagen and government staff are working on prioritizing areas to start development.

Contact:

Jamie Jeffreys ADM South Area, Regional Operations 250-819-2216

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Chetwynd Community Impact Letter – Canfor mill closure
Revised: March 27, 2023

Issue: The District of Chetwynd wrote a letter to Honourable Mike Bernier, MLA Peace River South, regarding the Canfor mill closure

Response:

- I recognize the challenges facing the community of Chetwynd and the need for Chetwynd to have a voice in its future and in the future of forestry in the area.
- I have been told that the Mayor has recently scheduled meetings with the Ministry of Forests District Manager every two-months to support working together through these tough times.
- As well, my Ministry and the Ministry of Jobs, Economy Development and Innovation are working with the community on a Community Action Plan.
- Social challenges are always at the forefront during these times and the Community Action Planning team is there to help support a meaningful response. This team is put in place to help the community of Chetwynd work through the issues noted.
- The Ministry of Forests and the Province recognize the challenges of the forest industry and have made available \$185 million over the next three years to provide enhanced support to forestry workers, contractors, communities, First Nations, and businesses to lessen the impacts from mill closures and curtailments.
- The Ministry of Forests remains focused on the continuity of fibre supply to mills as well as stabilizing harvest levels.
- The Province recognizes that reconciliation with Indigenous peoples is integral to bringing stability to the forest sector

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and has initiated further inclusion and partnerships as well as modernizing forest policy.

- Diversifying the forest sector through enhancing value-added opportunities is also a key initiative.
- The Province is also in preliminary discussions with local First Nations to develop a coordinated plan for new land use planning initiatives in the South Peace area, that will include forestry objectives and an effort on having the forest industry continue in the community.
- I recognize the issues we are facing in the forest sector are complex, and that local governments need to have a voice in future land use planning.

Contact:

Mike Hykaway

ADM

North Area –
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Ministry: Forests
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Title: Modernizing Forest Policy

Revised: March 10, 2023

Issue: Modernizing Forest Policy and Forestry in the North Area

Response:

- In June 2021, the Province made a commitment to modernize and transform the forest sector by increasing forest sector participation, enhancing sustainability and stewardship of our forests, and ensuring ongoing support of forestry across BC. These are the three principles we continue to hear from partners, stakeholders and communities.
- This commitment to forest sector transformation is founded in our vision for First Nations to be full partners in sustainable forest management and to receive meaningful benefits from forestry taking place on their territory. As we continue with this work, we are committed to working in consultation and cooperation with Indigenous Nations, aligned with obligations in the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act).
- Twenty priority actions were outlined to create the path to forest sector modernization and transformation. When taken together, these intentions represent significant change that is appropriate and necessary.
- We continue to work towards fulfilling our vision for the future of the forest sector, however the vision will not be realized overnight.

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- We have made progress on these items and have made some meaningful change towards the modernization of forest policy.
- We committed to implementing the Old Growth Strategic Review and are making progress on protecting old growth forests in partnership with First Nations across the province.
- We have updated the *Forest and Range Practices Act* (FRPA) and the *Forest Act* to provide the framework and tools that are needed to achieve this vision.
- \$25 million will be provided for Forest Landscape Plans (FLP) that are enabled by the FRPA changes. These plans will better incorporate local knowledge and values into sustainable forest management and long term strategies for managing old growth.
- In November 2021, the *Forest Act Amendments, 2021* (Bill 28) enabled tools to redistribute volume to First Nations, community forests, and BC Timber Sales. Bill 28 also authorizes the Province to create clear compensation rules that protect British Columbians from potential windfall court settlements and ensure that impacted licence holders are compensated at fair market value.
- We have created a new Value-Added Manufacturing Program for BC Timber Sales to provide the sector with the fibre security they need. We have more work to do to deliver on the other actions to diversify the sector, provide more opportunities for communities and First Nations, and shift from high volume to high value.
- We announced the new BC Manufacturing Jobs Fund (MJF) that will help manufacturing companies modernize, innovate, and grow by providing funding for capital projects

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in all regions in B.C., particularly in communities affected by economic impacts or downturns.

- We are co-developing a new fiscal framework with Indigenous Peoples a new fiscal relationship to bring immediate benefits to First Nations and enhance government-to-government relationships in accordance with the United Nations Declaration on the Rights of Indigenous Peoples. As a first and interim step, we have enhanced the existing FCRSA system by doubling the amount of forestry revenue shared with First Nations.
- Modernizing forest management will create opportunities for partnerships with Indigenous peoples, as well as providing a stronger, more resilient forest sector.
- The Ministry will continue to advance additional changes through ongoing engagement and consultation with First Nations, industry, communities, and other key stakeholders.

Background/Status:

Accomplishments to date:

- In 2019, the *Forest and Range Practices Act (FRPA) Amendment Act, 2019* (Bill 21) made targeted improvements to support the health and sustainability of BC's public forests and rangelands. Further changes in November 2021 under the *Forest Statutes Amendment Act* (Bill 23) focused on sustainability, allowing the return of more benefits to people and local communities, and positioning BC to take full advantage of future economic opportunities through long-term planning. Changes also enable Indigenous Nations to better participate in forest planning and decision-making, including taking steps to align FRPA with the Declaration Act.
- In November 2021, the *Forest Amendment Act, 2021* (Bill 28) enabled tools to redistribute volume to First Nations, community forests, and BC Timber Sales. Bill 28 also authorizes the Province to create clear compensation rules that protect British Columbians from potential windfall court settlements and ensure that impacted licence holders are compensated at fair market value. Bill 28 also

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provided the ability to have enhanced revenue oversight for log exports, jointly developed and implemented with the Ministry of Finance.

- In January 2023 the new BC Timber Sales (BCTS) Value-Added Manufacturing Program was launched ensuring innovative, secondary manufacturers of higher value wood products have access to fibre to supply and grow their operations.

Engagement:

- The vision to modernize forest policy has been informed by extensive engagements since 2017 with Indigenous Nations, the forestry industry, local governments, stakeholders, and the public.
- Since the summer 2021, the Province has engaged with over 125 Indigenous Nations and organizations on proposed changes to MFP. The Province continues to hear that the work to modernize forest policy is important, and Indigenous Nations want to be meaningfully involved in the forest sector as Rights and Title holders. In fall 2022 we co-hosted a Provincial First Nations Forum with the First Nations Forestry Council, followed-up by three regional forums this spring to further collaborate on our policy initiatives with Rights and Title holders across the province.

Forestry in the North

- Forestry is a pillar of many communities across the North Area and these communities are dependant on a healthy forest sector. The North Area has 13 timber supply areas (TSA), five tree farm licences, 20 community forests, 13 First Nation woodland licences and 320 woodlots that together provide an allowable annual cut (AAC) of 28.6 million m³/yr.
- Market pressures, declining AAC's, land base changes and certainty around access to fibre are all putting strain on the forest sector.
 - On increasing First Nations participation in the forest sector:
 - There is approximately 2.9 million cubic meters in replaceable First Nations tenures and two million m³ projected for replaceable tenures across the North Area.
 - Ministry of Forests is supporting First Nation partnerships with industry and BC Timber Sales (BCTS) to create more collaborative opportunities that will support diversifying the forest sector (e.g., Carrier Sekani First Nations (CSFN) in the Prince George TSA).
 - BCTS has disposition plans in place or are working toward disposition plans with several First Nations across the North to maximize First Nations participation while maintaining the market pricing system (e.g., Kwadacha First Nation in the Mackenzie TSA).
 - On increase fiber certainty and sustainability:

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- The North Area is striving to identify volume opportunities through creative solutions such as marginal fibre opportunities and evaluating timber availability and volume sources within each management unit.
- Working with the CSFN across their shared territory on spatialized harvest planning.
- The Lakes Resiliency and Lakes TSA FLP project is currently the only forest landscape project ongoing in the North Area. Increasing FLP projects with Indigenous and community participation will increase fibre certainty across the North Area. Mackenzie TSA, Bulkley TSA and Morice TSA are possible options for the next round of FLP projects.
- Land use planning identified through the Blueberry River First Nations Implementation Agreement in the Northeast Region will aim to identify responsible resource development that is in harmony with Treaty 8 rights.

Contact:

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Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Permitting/Authorizations backlogs – economic activity

Revised: March 29, 2023

Issue: Legacy of natural resource permitting and authorizations backlogs impacting economic activity and growth.

Response:

- The efficient delivery of permitting services is essential to economic activity and growth in our province.
- As our population and economy has grown, so has the demand on permitting services.
- As we commit to reconciliation with First Nations, permitting can often be a point of conflict that has resulted in delays. We are working hard to build strategic agreements with First Nations on land management that get us out of the debate over operational permits.
- The Ministry approves an average of 23,000 permits and authorizations each year.
- The Ministry continues to increase our efficiency by streamlining, automation, training and policy development to improve permitting performance.
- The Ministry is receiving additional capacity over the next 3 fiscal years to help address the permitting backlog and improve the authorizations process.
- Government is working together across agencies to focus on improvements to turnaround times, including development of a specialized provincial work unit to support permitting, development of accommodation tools for lands and water decisions and process standardization for fish & wildlife permits.

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- Starting this year, additional permitting capacity of approximately 50 staff in the Ministry will help reduce the on-going backlog issue and processing delays, growing to over 80 staff for the two following fiscal years.

Background/Status:

- FOR is responsible for making statutory decisions on Crown land and water use in BC.
- FOR is responsible for approximately 70% of all resource permit requests in the province for use of forests, range, water, land, fish, and wildlife.
- As our population and economy have grown, so has the demand on permitting services, while expectations on the ministry to sustainably manage the natural resources of British Columbia intensifies.
- Authorizations staff consider multiple values when making permitting decisions, including sustainable economic development, environmental protection, societal needs, and the reconciliation of Indigenous rights.
- BC industry sectors, such as housing and infrastructure construction, transportation, tourism, and aquaculture rely on Crown Land permitting. Several industry organizations have raised concerns about delays in obtaining Crown land permits.
- As a result of significant volumes of incoming applications the increasing complexity of the information being considered, the growing challenge of First Nations consultation and a high turnover of staff in the busiest offices, a growing backlog of files has developed for Land and Water permits.
- Investments in streamlining permitting processes have significantly helped to address workload, however the increasing complexity of reconciliation and consultation have erased the benefits gained.
- A new effort to further streamline and transform permitting to enhance our efficiency is underway and provides a significant opportunity to improve permitting timelines.

Contact:

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Hilary Wheeler	Eamon O'Donoghue	Associate Deputy Minister's Office	

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Proposed Fort Nelson First Nation and Peak Pellet Plant

Revised: March 9, 2023

Issue: Status of Proposed Peak Renewables Fort Nelson Pellet Project

Response:

- The Province is committed to supporting the revitalization of the forest industry within the Fort Nelson Timber Supply Area (TSA).
- The Province supports First Nations/ Industry partnerships that advance reconciliation and help revitalize forestry.
- Ministry of Forests will continue to support First Nations and industry tenure opportunities through the issuance of proposed First Nation Woodland Licences, the establishment of the Fort Nelson Community Forest, and new forest licences.
- Advice/Recommendations; Intergovernmental Communications
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- .
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- The Province recognizes the amount of work all parties involved have invested into this project and the potential opportunity it brings for economic development in the Fort Nelson area.

Background/Status:

- In 2020, Peak Renewables (Peak) purchased the former Canadian Forest Products (Canfor) Ltd. replaceable forest licence (RFL) and facilities in Fort Nelson with the intention of constructing a 600,000 tonne/year industrial wood pellet facility. The transfer of the 553,716 m³ RFL was approved by the Minister in 2021.
- Government Financial Information
Fort Nelson was economically impacted with the closure of the Canfor

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sawmill, OSB plant, and plywood plant in 2008/2009 and the downturn in the oil and gas sector. Local employment was severely impacted.

- Peak entered into an equity partnership with FNFN on the project and have the full support of the Northern Rockies Regional Municipality (NRRM).
- Advice/Recommendations; Business Information; Intergovernmental Communications

- Advice/Recommendations; Business Information; Intergovernmental Communications
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- Advice/Recommendations; Government Financial Information

- Subletting the CN rail line to Pacific Great Eastern Railway (PGER) was proposed. Subsequent follow up meetings between the Ministry of Transportation and Infrastructure (MOTI), BC Rail, and CN Rail indicated a sub-lease of the line to PGER under the BC Rail/CN Revitalization Agreement was the preferred approach. It was confirmed to Peak that no Provincial funding for rail upgrade was available at this time. Peak would further explore potential loan arrangements and reconstruction costs with their consulting partner.
- Advice/Recommendations; Business Information; Intergovernmental Communications

- Advice/Recommendations; Business Information; Intergovernmental Communications
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- FNFN has also partnered with Peak and Hydrogen Naturally (H2N) on a related project that would see a portion of the pellets from the proposed plant being converted into negative-emission hydrogen through the capture and sequestration of the carbon in the pellet feedstock.

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- On February 27, 2023 Premier Eby sent a letter to the Federal Government highlighting this hydrogen project and requesting a change to the eligibility criteria in the Federal draft Investment Tax Credit (ITC) legislation so that initiatives like the H2N project could be considered.
- If H2N (and their corporate partners FNFN and Peak) were to qualify for the Federal ITC, FNFN and Peak would no longer seek Provincial funding for the northern rail line upgrades.

Contact:

Mike Hykaway	ADM North	North Area Regional Operations	250-893-7516
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Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth Strategic Review

Revised: March 8, 2023

Issue: Developing an action plan to implement the recommendations in the Old Growth Strategic Review.

Response:

- Government is committed to implementing all 14 recommendations in the Old Growth Strategic Review.
- We have deferred 2.1 million ha of old growth as a starting place to create the space for determining the long term plan.
- Government is working with First Nations to develop an Action Plan to implement the full suite of recommendations that prioritizes ecosystem health and community resiliency.
- Our government has a vision for B.C. and our forestry sector where First Nations are full partners in sustainable forest management.
- We have launched 8 new Forest Landscape Level Plans (FLPs), in addition to 4 existing FLPs. These 12 FLPs will be the platform to implement the recommendations of the OGSR including long term protection of old growth.
- Local governments are critical to engage in this work.
- Key stakeholders including industry, environmental organizations and labour groups are key participants as we develop the action plan and initiate the FLPs.
- The action plan is set to be completed by the end of 2023.

Background/Status:

- Government commissioned an independent panel to lead an Old Growth Strategic Review in July 2019. The panel was tasked with looking at old growth management from a variety of perspectives, including employment and economic

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benefits, social, cultural, and environmental values, and the need to address climate change.

- The Old Growth Strategic Review report was submitted on April 30, 2020. Government has accepted all 14 recommendations and is now developing an action plan to guide implementation of the recommendations.
- The action plan supports work to modernize B.C.'s forest sector. The plan will be characterized by a longer-term paradigm shift in how we steward our forests, including:
- Ministry of Forests and the First Nations Forestry Council (FNFC) are working closely to provide guidance to FLPs and to prepare a draft Action Plan for further review by Indigenous leaders and organizations later this year. New funding of \$2.4 million announced in February will support the FNFC's direct involvement in the development of the Action Plan.
- Broader collaboration and engagement in developing the plan includes:
 - Jan-Feb 2023:
 - two Provincial Forums held, first with First Nations only, and then with First Nations, Indigenous groups, and key stakeholders.
 - Mar-May 2023:
 - Regional workshops with First Nations and key stakeholders held both virtually and in-person in communities across BC.
 - Regional workshops with First Nations will build on existing Government-to-Government relationships where these exist.
 - April 2023 (TBD):
 - Virtual workshop co-hosted with UBCM for local government representatives.
- Discussion will explore regional issues, priorities and existing solutions as well as solutions-based actions to further guide action plan development.

Contact:

Shane Berg	ADM - Office of the Chief Forester	250 851-6333
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth Deferrals and First Nations Responses to Deferrals

Revised: March 22, 2023

Issue: Old Growth Deferrals and First Nation's Responses to Deferrals.

Response:

- The Province has been engaging with First Nations on old growth deferrals since November 2021.
- Where Nations have requested deferrals, government has worked with licensees to voluntarily pause harvest plans, and where such agreement cannot be achieved, a *Forest Act* Part 13 deferral will be applied.
- Several First Nations have expressed interest in discussing old growth deferrals and longer-term old growth management as part of a broader government to government process such as a Forest Landscape Plan.
- This government's recent announcement of \$25M to support 8 new Forest Landscape Planning tables supports this collaborative approach.
- We continue to work with First Nations requesting more time to consider the deferrals proposed and acknowledge that some believe they have already addressed old growth management in their territories and are therefore, not supportive of the recommended TAP areas.
- Logging deferrals are a temporary measure to prevent biodiversity loss while the Province, First Nations and other partners develop a new, long-term approach to forest management that prioritizes ecosystem health and community resiliency.

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- As of February 2023, deferrals have been implemented on 2.1 million hectares of old growth.
- Our government's objective is to defer 2.6 million hectares of old growth, in partnership with First Nations and stakeholders, by Fall 2023.

Background/Status:

- First Nation Deferral Responses

- Advice/Recommendations; Intergovernmental Communications

Advice/Recommendations; Intergovernmental Communications

- Deferral highlights

- The area that has been deferred with support of First Nations is equal to 2.1 million hectares (1.16M hectares of which is Technical Advisory Panel identified "at-risk" old growth).
 - In total, approximately 80% of the 4.0 million hectares of priority at-risk old growth identified by the advisory panel is currently not threatened by logging because it is already protected, covered by deferrals or uneconomic to harvest.

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- Logging of old growth has declined by 42%, from an estimated 65,500 hectares in 2015 to 38,300 hectares in 2021. The area logged in 2021 represents 0.3% of the estimated 11.1 million hectares of old growth in the province.
- Related Government Investments
 - To accelerate work to protect more old growth, this government is investing in fast tracking innovation and co-developing local plans with First Nations. Recent investments include:
 - \$21 million from Budget 2023/24 (plus \$4 million from 2022/23) to support new Forest Landscape Planning tables
 - Doubling the BC manufacturing jobs Fund to \$180M
 - \$10M to establish a new Silviculture Innovation Program
 - \$2.4M to increase Indigenous participation in co-developing changes to forest policy
 - This build on \$185 million in budget 2022/23 for funding over three years to support workers, communities, including First Nation communities, and contractors impacted by deferrals and other conservation measures.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Socioeconomic Impacts of Old Growth and Land Use Planning

Revised: March 17, 2023

Issue: Socioeconomic impacts of Old Growth and Land Use Planning

Response:

- B.C.'s forests are part of our natural heritage, and British Columbians care deeply about them and the multitude of social, ecological, and cultural benefits they provide.
- We are reshaping our forest industry and taking action to protect our most at risk old growth forests, species at risk, and addressing other land use decisions.
- We know there will be some impacts to workers, local businesses and communities. That's why we have worked hard to provide comprehensive supports for workers, communities and First Nations through the development of new programs and by continuing and enhancing existing programs to mitigate any potential impacts.
- Land use decisions do have an impact upon B.C.'s forest sector. These decisions can be wide-ranging and include old growth protection, First Nation claims and negotiations, protection of species at risk and the creation of protected areas.
- We know that the forestry industry is in a period of transition and faces challenges from the recent drop in lumber prices.
- With the end of the beetle kill harvest and years of record wildfires, we need to do more with less – and create more jobs for every tree harvested.
- That's why we doubled the BC Manufacturing Jobs Fund to \$180 million. This investment will support mills to retrofit to manufacture higher-value wood products.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- We are working to build a stronger, more innovative forestry industry that better shares the benefits with people and communities.
- The Ministry conducts rigorous analysis on the socioeconomic impact of land use decisions, including the old growth deferrals and continues to evaluate the situation as First Nations consultations on deferrals continue.
- The Ministry's socio-economic analysis focuses on forest sector logging and manufacturing, and bases economic impacts on estimated changes to the allowable annual cut.

Background/Status:

- Socioeconomic impacts can include employment, gross domestic product, sales revenue, labour income, provincial revenue, and may incorporate census data.
- Initial socio-economic work on old growth estimated the deferrals announced in November 2021 would impact roughly direct 4,500 forestry workers if the deferrals become permanent¹.
- When doing the socio-economic analysis, results from a special run of Statistics Canada's Input-Output Model are typically used. The Ministry currently uses a model based on 2018 data, with projections for 2019 and 2020 added.
 - The model is publicly available on the Ministry's Forest Industry Economics website to increase transparency.
 - The development of the economic multipliers was undertaken with the Council of Forest Industries (COFI) to promote use of a consistent tool when doing analysis. COFI is not privy to the socio-economic work being done by the Ministry.
 - Though the tool is based on Statistics Canada work, Statistics Canada is not involved in, nor do they endorse the Ministry's socioeconomic work.
- For regional or community snapshots, the Ministry has been using 2016 Canadian Census data and will use 2021 Census data in the coming months.
- Typically, each land use decision has multiple options, and each option has its socioeconomic impacts included in the information presented to decision makers.

Contact:

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¹ This is the only job impact that has been publicly announced. Since November 2021 there hasn't been another public update to this number.

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Advice/Recommendations ; Intergovernmental Communications

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Withheld pursuant to/removed as

Advice/Recommendations ; Intergovernmental Communications

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Withheld pursuant to/removal as

Advice/Recommendations ; Intergovernmental Communications

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Stumpage

Revised: March 8, 2023

Issue: General Stumpage

Response:

- Stumpage is the fee government charges when it sells trees.
- BC charges for trees like a private landowner would.
- Licensees pay cash (stumpage) and provide services (obligations) for the trees they purchase.
- BC uses the Market Pricing System (MPS) to determine the stumpage rate.
- MPS uses BC Timber Sales auctions as the cornerstone system for pricing non-auctioned timber.
- MPS uses the data collected from auctioning off roughly 20% of the annual allowable cut (AAC) to price the remainder.
- Fiscal year 2023/24 stumpage revenue is estimated to be \$686 M¹.
- Stumpage revenue is projected to be down from an estimated \$1.4 B in fiscal year 2022/23, approx. 50%.
- The main reason for the decrease in stumpage revenues is due to lower expected average stumpage rates.
- Lower lumber prices are expected in 2023 reflecting an economic slowdown.
- Lumber prices have declined substantially since Spring 2022.
- The Market Pricing System (MPS) equation includes a lumber variable and it is very sensitive to changes in lumber prices.
- The forecast assumes \$US 400 /mfbm price of lumber for calendar year 2023.

¹ Stumpage Revenue is part of Total Forest Revenue which is \$846 million.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- Stumpage
 - Stumpage = Estimated Winning Bid (EWB) – Tenure Obligation Adjustments (TOA)
 - The EWB is the value of trees if sold prior to harvest. BCTS auctions standing timber to collect data, which is used to build the EWB equation.
 - The TOA is the value of services licensees provide to the government such as silviculture and road building.
 - Stumpage for licensees is updated quarterly based on the latest market conditions
 - The Coast and the Interior of BC both use a version of MPS and there are some differences in the details.
- Lumber Prices impacting Stumpage:
 - Advice/Recommendations; Government Financial Information
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Apportionment and Business Area Status

Revised: March 5, 2023

Issue: BCTS Apportionment and Operating Area Status

Response:

- As per the Modernizing Forest Policy Intentions Paper, Government is committed to strengthening BC Timber Sales (BCTS) and ensuring BCTS has access to a sufficient and representative supply of timber across the province to enable it to meet its Market Pricing System (MPS) goal and other program objectives.
- As well, Government is committed to exploring all options available to it under the *Forest Act* to build a separate volume pool dedicated to the value-add sector.

Background/Status:

- World leading experts in auction theory determined, and subsequently reconfirmed, that 20% of the Allowable Annual Cut (AAC) should be allocated to BCTS to achieve a goal of 20% of B.C.'s Crown harvest volume being sold at auction in order to maintain the integrity of the MPS.
- BCTS' share of the provincial timber supply is under continuous pressure from sources such as:
 - Re-apportionment/assignment of BCTS volume and operating areas to support new tenures (e.g., First Nations and communities); and
 - Timber and land base reductions resulting from a variety of land base and forest management constraints.
- A recent assessment of BCTS apportionment shows that currently:
 - BCTS holds ~18.1% of Crown volume provincially; and
 - BCTS' apportionment within all three Natural Resource Areas is below 20%:
 - 15.5% Coast,
 - 18.8% North, and
 - 18.9% South
 - Eight of the twelve BCTS Business Areas are currently below 20% of the Crown timber supply in their respective areas.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- BCTS apportionment also supports the Value-added Manufacturing Program (VAMP) which does not contribute to the generation of MPS data points.
- Currently, eleven¹ completed Timber Supply Area AAC Determinations or associated 'Step Down' (SD) AAC reductions are awaiting apportionment decisions.
- As per policy, BCTS annually determines a Rationalized Apportionment (RA) to account for operating area constraints and pending AAC changes.
 - Rationalization categories:
 - Lack of demand/no market demonstrated over extended periods
 - Pending apportionment decision to reflect reduced AAC's
 - New landbase exclusions (FN treaty or pending treaty, Government's old growth strategy) not reflected in AAC or apportionment.

Appendix 1: Summary of 2022/ 23 Total Crown AAC, BCTS Apportioned AAC, and Rationalized Apportionments by BCTS Business Area.

BC Timber Sales
Feb. 22, 2023

Summary of Total Crown AAC, BCTS Apportionment, and Rationalized Apportionment, by Business Area
Advice/Recommendations; Government Financial Information; Intergovernmental Communications

Contact:

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¹ Arrow, Cranbrook, Fort Nelson, Fort St. John, Haida Gwaii, Invermere (SD), Kamloops (SD), Lakes, Merritt (SD), Okanagan, Prince George (SD).

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCTS Reconciliation with Indigenous Peoples Business Plan Principle 2

Revised: March 5, 2023

Issue: BCTS Business Plan, Principle #2: Reconciliation with Indigenous Peoples

Response:

- BC Timber Sales (BCTS) recognizes that reconciliation with Indigenous Peoples is integral to its mandate and its long-term success.
- Since 2018, one of three over-arching principles within the BCTS Business Plan is reconciliation with Indigenous Peoples.
- BCTS works in collaboration with Indigenous organizations, the Ministry's Indigenous Relations Branch, and the Ministry of Indigenous Relations and Reconciliation to improve and build new relationships with First Nations.
- BCTS is also working with First Nations to determine how BCTS can build additional partnerships and become the "partner of choice" with First Nations.
- In April, 2022 our government more than doubled the Forest Consultation and Revenue Sharing agreements for First Nations and increased rates by 5%. There is an additional enhancement of 3% on BCTS revenue.

Background/Status:

- BCTS continues to ensure that all its staff has continuing education on reconciliation as well as the province's commitments to implement the *Declaration Act* and the Truth and Reconciliation Commission Calls to Action.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Advice/Recommendations; Intergovernmental Communications

- - Advice/Recommendations; Intergovernmental Communications
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- BCTS continues to work with the Ministry's regions and Indigenous Relations Branch to integrate and align Reconciliation initiatives.
- Supported by BCTS Provincial Operations, all 12 BCTS business areas now have Indigenous Relations-focused staff, dedicated to relationship-building with local Indigenous Nations and implementation of Principle 2.
- Advice/Recommendations; Intergovernmental Communications
 - Advice/Recommendations; Intergovernmental Communications
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- BCTS is working with the First Nations Forestry Council to better understand challenges and is identifying opportunities to align and collaborate on priorities.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- For BCTS to be a partner of choice with First Nations opportunities being worked on include:
 - BCTS working directly with individual FNs;
 - the new fiscal relationship pursuing enhanced revenue sharing on BCTS Timber Sale Licenses;
 - developing a strategy to increase both BCTS and First Nations volume interests collaboratively with First Nations

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**2023/24 Estimates Note
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCTS Category 2 Timber Sales Licences

Revised: March 5, 2023

Issue: BCTS Category 2 Timber Sales Licences

Response:

- Government recognizes the vital importance of providing access to Crown timber for minimally tenured manufacturers and the value-added sector.
- On January 24, 2023, Government announced the replacement of BC Timber Sales (BCTS) Category 2 (Cat 2) program over the next year with the BCTS Value-added Manufacturing Program (Cat VA).
- Over the next six (6) months, as BCTS continues to work with the value-added sector, First Nations, and stakeholders, specific details of the Cat VA will be made known as the regulation is being developed.
- BCTS will continue to offer approximately 10 percent of its rationalized apportionment (RA) volume each year specifically to support Cat 2 over the next 18 months.
- After 18 months, the Cat 2 program ceases and the Cat VA will be fully implemented.
- For fiscal year 2022/23, the RA and timber volume sold target is 6.3 million m³ where 619,000 m³ is projected to be tendered as Cat 2.
- For fiscal year 2023/24, the RA and timber volume sold target is 6.5 million m³ where 650,000 m³ is projected to be tendered under Cat 2 and the new Cat VA.
- In addition to the volume offered solely to Cat 2 and the new Cat VA, Cat 2 and Cat VA registrants also have the ability to

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bid on the remaining and larger pool of BCTS volume, which is open to both Cat 1, 2 and VA registrants.

Background/Status:

- BCTS currently has two registration categories¹:
 - Cat 1 which is available to market loggers and timber processors, and
 - Cat 2 which is restricted to timber processors only provided they do not hold more than 10,000 m³/year of replaceable quota.
- There are two types of TSL auctions:
 - Cat Any – open to both Cat 1 and Cat 2 registrants (the majority of auctions), and
 - Cat 2 – open to only Cat 2 registrants
- Cat 2 registrants enjoy more program flexibility than Cat 1 registrants.
 - more limited competition.
 - a person/corporation can register multiple timber processing facilities as separate Cat 2 registrations.
 - multiple Cat 2 registrations enable a person to acquire many TSLs at one time, whereas in Cat 1 a person may hold a maximum of 3 TSLs.
- Cat 2 TSLs are distinguished by a timber processing obligation, whereby the holders must process a minimum amount of volume, proportional to the TSL volume, through their facilities during the term of the licence.
 - The timber processing obligation in a TSL is set, fixed volume which is typically 50 percent or 75 percent of the TSL advertised volume.
 - The timber does not need to originate from the licence area, the holder can process timber or acquire fibre from any source whether acquired through purchase or trade.
 - This ensures that Cat 2 TSLs are being awarded to actively operating timber processing facilities and which have the manufacturing capacity to justify access to amount of volume in the TSL.
- Cat 2 auction results do not contribute to the Market Pricing System, because the auctions are directed at a restricted bidding pool.
- The value-added sector would like more volume directed towards Cat 2 auctions.

¹ As of February 15, 2023, BCTS had 656 persons registered in Cat 1 and 135 in Cat 2 for a total of 791.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- BCTS:
 - Has undertaken a review of all current Cat 2 registrations to ensure that they still meet the requirements of registration²;
 - Conducts on-going monitoring and enforcement activities as it relates to Cat 2 TSL milling performance;
 - Has taken measures to ensure that the Cat 2 registrants are aware of the long and short-term timber supply for their respective areas;
 - Has committed to advertise the average timber profile of the respective area in Cat 2 TSL; and
 - Has successfully auctioned roughly 1 million m³/year as Cat 2 timber sales since 2013 until 2019. In 2019/2020 the Cat 2 volume auction was 880,000 m³, for 2020/2021 the Cat 2 volume auction was 797,000 m³ and for 2021/2022 the Cat 2 volume auction was 799,582 m³.
- It is the expectation from the value-added sector that approximately 1 million m³ is to be tendered in Cat 2 each year. This sector has stated that it requires approximately 3.2 million m³ per year to meet their capacity needs.
- A working group has been established through the intention paper process to look for avenues to obtain additional volume for the value-added sector (Cat 2) and to bring the volume offered as Cat 1 TSL to 20 percent of the provincial AAC.

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² Cat 2 registrants, however, are responsible to ensure that they continue to meet eligibility requirements and to inform BCTS when their status changes.

**2023/24 Estimates Note
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Disposition Agreements and Reduced Volume Condition Licenses

Revised: March 6, 2023

Issue: BCTS Disposition Agreements and Reduced Volume Condition Licences

Response:

- Since 2016, BC Timber Sales (BCTS) has signed 39 Disposition Agreements (DAs);
 - Eight of these are currently active, with an associated total volume of approximately 703,000 m³.
 - BCTS continues to work with interested partners to negotiate BCTS DAs.
 - These types of agreements are an effective means to enhance business relationships with non-BCTS license holders and assist them in realizing benefits from their tenures.
 - DA's contribute to the Market Pricing System (MPS) and are incremental to BCTS core apportionment.
- Since 2017, Government has entered into seven Reduced Volume Condition (RVC) Licences.
 - BCTS continues to work collaboratively with all non-BCTS licensees who were issued RVC licences
 - RVC licences create conditions where the non-BCTS holder can benefit from and influence harvest and forest management.

Background/Status:

- BCTS DAs are voluntary agreements:

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- At request of the non-BCTS tenure holder, BCTS develops and auctions their volume through Timber Sale Licences on their behalf.
- BCTS in return provides a financial consideration (most often payment based on net-revenue) to the non-BCTS licence holder resulting from that auction.
- BCTS has entered into 39 DAs:
 - 34 are with FN Tenure Holders, 6 remain active (approx. 575,000 m³).
 - 3 are with Community Forest Agreement Licensees, all completed¹
 - 1 is with a Major Forest Licensee and remains active.² (approx. 65,000 m³).
 - 1 is a partnership with a Major Forest Licensee and a FN Tenure Holder and remains active.³ (approx. 65,000 m³).

Table 1: Summary Disposition Agreements

Disposition Agreements	2016	2017	2018	2019	2020	2021	2022	2023	TOTAL
DA Signed (#)	8	6	11	6	4	2	1	1	39
DA TSL Vol Harvested (m3) ⁴	29,583	199,260	308,922	350,822	246,541	202,292	423, 837	277,770	2,039,027
Payments to non-BCTS Tenure Holder (\$) ⁵	167,516	3,227,035	12,473,269	9,011,863	13,130,394	3,808,003	5,482, 170	10,600,853	57,901,103

- Reduced Volume Condition Licences are forest tenures issued to non-BCTS licensees with a 'reduced volume' amount that remains BCTS apportionment.
 - BCTS develops and auctions volume under the RVC licence.
 - BCTS pays 50% of net revenue (as prescribed by Regulation) from TSLs sold attributed to the RVC licence.

Table 2: Reduced Volume Condition Licences

Reduced Vol Condition Licences	2017	2018	2019	2020	2021	2022	2023	TOTAL
RVCs Signed (#)	0	4	1	0	0	0	1	6
RVC TSL Vol (m3) ⁶	0	37,205	49,795	149,154	207,926	67,896	61,847	573,823
Payments to non-BCTS Tenure Holder (\$) ⁷	0	0	1,437,729	2,421,816	4,033,250	5,411,730	351,795	13,656,320

Advice/Recommendations; Intergovernmental Communications

⁴ Source: Forest Tenure Administration (FTA) application, volume (m3) billed calendar year

⁵ Payments are based on fiscal year.

⁶ Source: Forest Tenure Administration (FTA) application, volume (m3) billed calendar year

⁷ Payments are based on fiscal year.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Log Exports

Revised: March 5, 2023

Issue: BCTS Log Exports

Response:

- BC Timber Sales (BCTS) does not have the authority under the *Forest Act* to directly restrict the export of timber from a Timber Sale Licence (TSL)¹ nor does it manage the government export file.
- BCTS will continue to participate in broader Ministry efforts to ensure the Market Pricing System (MPS) is responsive to all market conditions that affect the value of timber, including export markets.

Background/Status:

- BCTS volume that was exported from BCTS TSLs for the period 2015 to 2022:

Total Volume (m ³)								
	2015	2016	2017	2018	2019	2020	2021	2022
Interior	95,880	245,154	180,392	169,569	164,745	200,808	128,637	126,519
Coast	441,149	544,013	657,214	493,111	406,860	194,737	109,642	162,821
Total	537,029	789,167	837,606	662,680	571,605	395,545	238,279	289,340

- The export volume for the 2022 year for coastal TSLs are down about 25 percent from the export coastal TSLs volume in 2018.
- Basic export information:
 - Section 127 of the *Forest Act* requires that timber harvested on Crown land must be manufactured in B.C.

Advice/Recommendations; Legal Information

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Advice/Recommendations; Government Financial Information

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Advice/Recommendations

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Value-Added Manufacturing Program

Revised: March 5, 2023

Issue: BCTS New Value-Add Manufacturing Program

Response:

- On January 24, 2023, Government announced that the BC Timber Sales (BCTS) Category 2 program is being modernized, making it more inclusive for small and medium sized forestry manufacturers that have limited or no access to Crown timber.
- The new BCTS Value-Added Manufacturing Program will provide improved opportunities to purchase timber on the open market and will replace the Category 2 program.
- The program will define value-added as processing of logs or lumber through primary and secondary manufacturing that results in functional and durable products, increasing the value of the log or lumber greater than its base value.
- BCTS continues to work with the value-added sector, First Nations and stakeholders in the development of the Value-added Manufacturing Program. This program addresses concerns expressed by the value-added sector and will support existing value-added forestry manufacturers and newer entrants.

Background/Status:

- BCTS will use the *Manufactured Forest Products Regulation* to define eligible products and will exclude products made from residual fibre (e.g., pulp and paper) and products that are minimally processed (e.g., firewood).
- Eligible registrants cannot have a forest licence(s) with an aggregate allowable annual cut greater than 10,000 cubic metres. This is a requirement in the current Category 2 program and will be maintained in the Value-Added Manufacturing

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Program to ensure timber is offered to manufacturers that are minimally tenured or untenured.

- A mill accreditation will be implemented as part of registration. The mill accreditation will require:
 - A person must own or lease a timber processing facility in BC containing equipment capable of producing the eligible value-added products.
 - Provide documents verifying the timber processing facility is active.
 - A site visit conducted by BCTS to verify the facility is active and contains equipment capable of producing the value-added products.
- On partnering with First Nations
 - First Nations expressed concern they are not able to participate in the program because they have forest licences with an allowable annual cut greater than 10,000 cubic metres.
 - Analysis was done to determine whether the volume limit could be increased for First Nations only. It identified that forest licences held by First Nations had an allowable annual cut that ranged from less than 10,000 cubic metres to greater than 250,000 cubic metres, and it was challenging to determine a volume limit that would capture most nations while also being consistent with the objective of offering timber on the open market to those that are minimally tenured or untenured.
 - If more volume is allocated to the Value-added Manufacturing Program then BCTS is committed to exploring increasing the volume limit.
 - Engagement with Indigenous People and the value-added sector has been ongoing since July 2022. BCTS recently hosted another engagement session on March 2nd and 3rd with the value-added sector and Indigenous People.
 - Amendments to the BCTS Regulation that are required to support the Value-added Manufacturing Program are scheduled to be completed in Fall 2023.
- Measuring Success in the 2023/24 – 2025/26 Service Plan:
 - In its 2023/24-2025/26 Service Plan, the Ministry published a new performance measure “Annual BCTS timber volume auctioned, targeted at the value-add sector” in support of the Ministry’s objective to modernize the BC forest economy, and support an innovative sustainable forest sector.

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- This measure demonstrates the success of economic diversification activities, including the promotion of sub-sectors such as value-added forest product manufacturing.
- This measure tracks how much timber is sold at auction to the value-added sector, providing critical data to the Ministry to guide decisions about how it can continue to better support the growth of this sector.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Refusal of Cutting Permit or Road Permit Regulation

Revised: March 5, 2023

Issue: BCTS Refusal of Cutting Permit or Road Permit Regulation

Response:

- Ensuring BC Timber Sales (BCTS) continues to meet its mandate is an important element in support of Canada's position in the softwood lumber discussion.
- Government added additional protection to the MPS by creating an objective under the *Forest Act*, through Regulation.
- On January 8, 2019, the Refusal of Cutting Permit or Road Permit Regulation came into force.
- This regulation requires the District Manager (DM) to refuse to issue a cutting permit or road permit if that permit impacts a known or proposed BCTS investment, or BCTS access to representative timber.
- BCTS will continue to ensure sufficient and suitable operating area through operating area redetermination processes which are based on open and transparent engagement with First Nations and input from licensees and stakeholders.
- BCTS will also continue to participate in mutually beneficial operating area discussions when requested by another tenure holder or First Nation.
- There has been one significant amendment to this regulation because of changes in BCTS operating area boundaries.

Background/Status:

- To support MPS, BCTS manages about 20 percent of the province's annual available timber volume in operating areas representative of the timber profile

2023/24 Estimates Note Advice to the Minister

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and operating conditions that non-BCTS tenure holders experience throughout the province.

- BCTS operating areas are legally established by *the Refusal of Cutting Permit or Road Permit Regulation* (CPRP), but rights to the timber are not completely exclusive for the purpose of the BCTS program.
- Government has prescribed the objective for the CPRP as “ensuring that BCTS generates adequate cost and price information and data respecting the harvest of representative timber from Crown land through the planning, development and auction of the authority to harvest timber in BCTS operating areas.”
- The principles of the regulation are:
 - The regulation will only apply to known BCTS operating areas;
 - The DM must refuse an application for a cutting permit or road permit of a non-BCTS tenure holder if it infringes on the MPS objective:
 - if it overlaps with a known BCTS investment(s) or proposed harvest area(s); or
 - if it impacts BCTS’ ability to sell a representative supply of timber.
- However, the DM may take into consideration any mitigating factor relevant to the impact on BCTS investments within the operating area.
- BCTS publishes on a publicly accessible website the location of its planned cutblocks and roads in order to support the regulation and assist others to avoid inadvertently impacting BCTS investments.
- The BCTS operating areas maps that are attached to the regulation may be amended on a yearly basis to reflect any changes to operating area boundaries.
- Any changes to the wording within the regulation or the operating area maps attached to the regulation require approval from the Lieutenant Governor in Council by and with the advice and consent of the Executive Council.
- Since the CPRP has come into forces, there were several instances where a District Manager requested information from a TSM regarding a proposed cutting permit within a BCTS operating area.
 - Overlapping development issues, in general, were resolved through direct engagement and negotiation between BCTS and the respective cutting permit applicant.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Sustainable Forest Management/
Certification

Revised: March 5, 2023

Issue: BCTS Sustainable Forest Management / Certification

Response:

- BC Timber Sales (BCTS) is committed to the principles of Sustainable Forest Management (SFM). Sustainability is one of three overarching Principles for BCTS.
- 100% of the timber volume auctioned by BCTS and harvested by the program's customers is SFM-certified under the SFI Forest Management Standard.
- BCTS continues to demonstrate and refine its sustainability assessment and reporting tools that evaluate its performance across a range of metrics related to SFM.
- BCTS staff are active participants in ongoing work to update the *Forest and Range Practices Act* and regulations as well as in Forest Landscape Planning pilot projects underway in several areas of the Province.
- BCTS staff are active participants in the Old Growth Strategic Review project, which is examining the Province's forest management system to ensure healthy and resilient forest ecosystems.

Background/Status:

- The Canadian Council of Forest Ministers Statement on Forest Certification Standards supports all SFM standards applicable to Canada.
- The three internationally recognized and endorsed SFM certification standards used in Canada and BC are:
 - Canadian Standards Association Z809 Sustainable Forest Management Standard (CSA),

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- Forest Stewardship Council (FSC) Canada National Forest Management Standard; and
 - Sustainable Forestry Initiative® (SFI®) Forest Management Standard.
- BC leads the country in achieving SFM certification with just over 47 million hectares certified:
 - 93% under SFI,
 - 4% under CSA and
 - 3% under FSC.
- To support its SFM monitoring and continuous improvement efforts:
 - BCTS produces a Fibre Sustainability Monitoring Report aligned with the Provincial Timber Management Goals, Objectives and Targets.
 - The third iteration of this reporting was released in September 2020.
 - BCTS reporting is technical in nature and to date has been distributed primarily internal to government.
 - Findings to date demonstrate that BCTS performance is well aligned with Timber Supply Review assumptions and that the program is managing its operating areas sustainably.
- In April 2021, BCTS released its second strategic level Commitment to Environmental Stewardship and Sustainability report intended for external audiences highlighting BCTS' success and innovations in these areas. Work is underway on the next update to this report.
- BCTS is currently updating its Sustainable Forest Management Plan to the 2022 SFI standard.

Contact:
Melissa Sanderson ADM - Timber, Range and Economics 250-812-7253

2023/24 Estimates Note Advice to the Minister

Ministry: Forests

Minister Responsible: Bruce Ralston

Title: Cooperative Community Wildfire Response

Revised: March 10, 2023

Issue: Cooperative Community Wildfire Response

Response:

- Wildfires are becoming increasingly more complex, destructive, and are impacting communities on a more frequent basis. Many rural, Indigenous and non-Indigenous communities have expressed a desire for further involvement in wildfire response and resilience.
- First Nations, and rural and remote communities hold diverse, often underrecognized capacities for wildfire response, including leadership, local knowledge, training and experience, equipment, and infrastructure.
- BC Wildfire Service (BCWS) is administering the Cooperative Community Wildfire Response Project (formerly the Community Firefighting Model) to coordinate engagement with Indigenous and non-Indigenous communities, and enhance and/or develop a range of opportunities that reflect the diverse needs and values of Indigenous and non-Indigenous rural and remote communities.
- In partnership with University of British Columbia (UBC), the Fraser Basin Council (FBC), the First Nations Emergency Service Society (FNESS), and Indigenous Services Canada, the Cooperative Community Response Project is building off the recent pilots of the Indigenous Initial Attack program (now known as Indigenous Initial Response), First Nation Liaison, and Rancher Liaison programs.

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- The goal of the project is to collaborate and increase cooperation across the province in rural and remote areas that are in high wildfire risk areas, while ensuring inclusion of local and Indigenous knowledge and capacity.
- The project is in the process of:
 - developing response options where cooperation with Indigenous communities and non-Indigenous rural and remote communities can support wildfire response,
 - formalizing the First Nation Liaison program for the 2023 Fire Season,
 - expanding the piloting of Indigenous Initial Response (formerly called Indigenous Initial Attack) through the 2023 fire season and implementing a response structure for the 2024 fire season,
 - increasing and clarifying training requirements with Indigenous and non-Indigenous rural and remote communities, and
 - prioritizing areas of the province with high wildfire risk with communities willing to engage, regardless of their current capacity.

Background/Status:

- The Cooperative Community Wildfire Response Project (formerly the Community Fire Fighting Model Project) is a project that includes First Nations and rural and remote community's wildfire response within their traditional territories and improves cooperation with rural and remote communities.
- The project partners include BC Wildfire Service, First Nations Emergency Services Society, Indigenous Services Canada, the University of British Columbia, and the Fraser Basin Council.
- The University of British Columbia is undertaking engagement sessions with 30 First Nations communities across the province to determine response options.

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- The Fraser Basin Council is undertaking engagement sessions with rural and remote communities to determine response options.
- The First Nations Emergency Services Society (FNESS) is supporting the project in conjunction with First Nations communities, and providing engagement capacity funding.
- The project is coordinating with Indigenous Services Canada, and their current funding program for wildfire response equipment (administered by FNESS).

Advice/Recommendations; Government Financial Information

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Contact:

Ian Meier

ADM

BC Wildfire Service

250 643-0078

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Cultural and Prescribed Fire

Revised: March 10, 2023

Issue: Expanding the use of cultural and prescribed fire in land management

Response:

- The Province recognizes the safe use of fire on the land plays a role in reducing wildfire risk, enhancing biodiversity and ecosystem resilience and health, and adapting to climate change.
- First Nations have used fire as a stewardship tool on their lands for many generations.
- The Province is committed to co-develop a policy and program framework with First Nations. Working hand in hand with First Nation to significantly increase the use of safe beneficial fire on the land.
- BCWS has increased the number of planned cultural/prescribed fire in the last year and will double that over the next 12 months.

Background/Status:

- *Modernizing Forest Policy in British Columbia*, released in 2021, committed to re-integrate prescribed and cultural (C&Rx) fire into the forest management toolkit.
- The *Declaration on the Rights of Indigenous Peoples Act Action Plan*, released in 2022, committed to integrating Indigenous cultural burning into land management and expanding the strategic use of beneficial fire on the land.
- The Ministry of Forests Service Plan includes an objective for burn projects developed by or co-developed with First Nations. The measure uses “torch ready” burn plans, as actual burn delivery depends on seasonal conditions.

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	2021	2022	2023 (forecast)
# burn projects developed by or co-developed with First Nations (target / actual)	Not tracked	20 / 13	30 / 35
# burn projects (all proponents)	40	60	65

- In 2023/24, the Crown Land Wildfire Risk Reduction program, administered by the Ministry of Forests, anticipates allocating approximately \$3.25M to C&Rx fire initiatives. Burn projects are also eligible for funding programs administered by third parties, including the Community Resiliency Investment program, administered by the Union of BC Municipalities and First Nations Emergency Services Society (FNESS), and the Forest Enhancement Society of BC.
- Government has endorsed a strategy to be implemented over the next four years to co-develop a governance, policy and program framework for a co-managed C&Rx fire program in BC with First Nations. The Ministry has initiated engagement with First Nations on the design of a co-development process.
- The Ministry has strong operational relationships with FNESS and the First Nations Forestry Council in support of this work. Many local partnerships have also been established with individual First Nations in all regions of the province.
 - Advice/Recommendations; Cabinet Confidences; Intergovernmental Communications

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Advice/Recommendations; Cabinet Confidences; Intergovernmental Communications

○

Contact:
Ian Meier ADM BC Wildfire Service 250 643-0078

2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Fire Control Cost Recovery Under *Wildfire Act*.

Revised: March 3, 2023

Issue: Fire control cost recovery under the *Wildfire Act*

Response:

- *Wildfire Act* provides authority for the Minister to order a company or a person to pay to the government its fire control costs, damage to Crown resources and administrative penalties (which are similar to fines)
- BC Wildfire Service completes cost recovery action on approximately 25 fires each year
- For 2013-2022, \$41.8 million in costs, damages and penalties were ordered to be paid (average \$4.2 million/ year)
- Ministry of Finance is responsible for recovering those amounts – they will need to be canvassed to determine how much of that amount was actually recovered

Background/Status:

- Advice/Recommendations; Legal Information

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2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Advice/Recommendations; Legal Information

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Contact:
Ian Meier ADM BC Wildfire Service 250-643-0078

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: **Preparation for the 2023 Wildfire Season**

Revised: **March 7, 2023**

Issue: **Preparation for 2023 Wildfire Season**

Response:

- BC Wildfire Service (BCWS) is prepared for the 2023 wildfire and freshet season.
- BCWS works closely with Emergency Management and Climate Readiness, local governments and First Nations+.
- BCWS has and continues to invest in tools and technology to assist operational decision makers working in a complex and dynamic environment.
- BCWS continues to focus on key partnerships to build capacity in preparedness and response (such as FNESS, the BC Cattlemens Association, industry, and local governments).
- With the \$58 million in new investment BCWS has:
 - Hired 113 new permanent firefighters/emergency responders for year round operations
 - Acquired 4 new structure protections units, night vision goggles, remote piloted aircraft (drones), 2 new mass water delivery systems, upgrades to BC weather stations, and innovative technology across the province in predictive services and remote cameras to assist in preparedness, detection and response
 - Increased the number of First Nations partners for initial attack by approx. 50%- significantly increasing capacity for communities to respond to wildfires

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- Treated over 3000 hectares to reduce wildfire risk around communities
- Increased Firesmart operating funding to approximately \$5 million, including hosting the Firesmart symposium, a conference on wildfire for communities, partners and stakeholders which sold out in 2022 and is almost sold out for this year in North Vancouver.

Background/Status:

- On Wildfire Response – Predictive Services:
 - Wildfire Predictive Services is an emerging field that integrates fire modelling, data science, meteorology, climatology, forecasting methods, and applied learnings to better inform decisions made by emergency management agencies.
 - BCWS continues to invest in the development of enhanced predictive services and more robust planning tools to improve year-round preparedness, prevention, response and recovery activities.
 - BCWS continues to work with international fire agencies, research communities and the private sector to ensure the latest emerging science and technology are directed towards real-world challenges that improve how the threat of wildfire is assessed and managed.
 - In response to the increasing risk of wildfire, BCWS has invested in building internal capacity and expertise to ensure our province is positioned to evaluate and deploy the most advanced science, technology and fire management systems available.
- On Wildfire Response – Tactics, Priorities and Decision Making Protocols
 - BCWS Response Strategies were updated in all six Fire Centres, identifying priority areas for response resourcing.
 - BCWS has made improvements for the 2023 season in the identification and suppression of wildfires, and the deployment of resources.
 - Site and Coordination level surge capacity decision making models were co-developed with Emergency Management and Climate Readiness (EMCR) and First Nations Emergency Services Society (FNESS).

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(Integrated Support Group, Multi Agency Support Group, Joint Hazard Management Team)

- Targeted engagement sessions are being held in 2023 with the forest industry, stakeholders, and First Nations communities jointly with FNESS and EMCR to increase awareness of BCWS preparedness and response operations.
- BCWS Flood Preparedness framework established in collaboration with EMCR to ensure resource availability to support flood response operations.

○ On Wildfire Response - Capacity:

- In December 2022, 113 staff were converted from auxiliary to full time status.
- BCWS continues to collaborate with the contracting community to promote more stable work opportunities amongst the contracting work force. BCWS has 25+ contract opportunities in various resource equipment and service areas.
- Type 2 Fire Crew (12 – 8 person crews) fire fighter services contracts are in place for the 2023 wildfire season, and Type 3 Fire Crew fire fighter services remain in place, totalling over 600 personnel.
- BCWS is partnering with FNESS to support fire crew training and is committed to increasing First Nations community capacity.
- BCWS continues to work with the Fire Chiefs Association of BC to readily access local government fire department resources in support of provincial preparedness and response to wildfires.
- BCWS will continue to explore and incorporate new tools and technology including the use of night vision goggles (NVG), Remote Piloted Aircraft Systems (RPAS) and Helicopter Extraction Cargo (HEC) rescue platforms.
- BCWS is collaborating with the FOR RPAS program for response and planning activities on wildfires. BCWS will also use this tool to pre-assess high risk areas in the wildland urban interface to assist with fuel mitigation projects.
- BCWS continues to work with academia and industry to develop new firefighting tools and techniques.
- BCWS is focusing on specific research tied to presumptive diseases, smoke inhalation, wildfire health and safety, stress/fatigue, and crisis communications.

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- BCWS aviation program consists of air tanker and rotary wing resources consisting of 8 tanker groups with a fleet of 28 fixed wing aircraft over 14 bases throughout the province for deployment. Additionally, there will be 5 contract medium helicopters, 1 intermediate, 3 rappel medium helicopters and 2 parattack jumpships in the fleet.
- BCWS has added two mobile water moving systems to its assets that will be available for suppression operations in wildfire and / or dewatering during flood operations.
- BCWS has added camp infrastructure that provides versatility in deployment and increases camp capabilities. Items such as singular housing units, 5 person camp kits and 4 new camp modules
- BCWS continues to build partnerships at the national level to advance priorities for BC and to support the national level shifts to transform wildfire management and facilitate resource exchange.

Contact:

Ian Meier ADM – BC Wildfire Service 250-643-0078

2023/24 BC Wildfire Service Recruitment and Retention Advice to the Minister

Ministry: Forests

Minister Responsible: Bruce Ralston

Title: Recruitment & Retention

Revised: March 7, 2023

Issue: Recruitment & Retention in the BC Wildfire Service

Response:

- BCWS is transitioning to be capable of responding to natural hazard incidents year round.
- A variety of channels are used to recruit new hires, including: our popular social media channels, Public Service Agency postings, and existing crew and local community outreach.
- BCWS takes a total worker health approach to address both the mental and physical health of all employees.
- Training and learning is structured to reflect career path development and help long-term staff retention.
- For the 2023 season new potential recruits will be paid to attend our New Recruit Bootcamp.

Background/Status:

- Transition to 365 readiness and multi-hazard response
 - BCWS is increasing training of staff for all natural hazards response through several channels including agencies such as the Justice Institute of BC.
 - BCWS has engaged a consultant for the delivery of a new organizational Learning Strategy. The strategy analyzes how learning is achieved throughout the organization and develops opportunities to improve.
 - Stronger BC 2022 budget set the direction for a BC Wildfire service model that will be year-round, more proactive, and better equipped to respond to all natural hazards.
- Physical and Mental Health Supports
 - BCWS is implementing a new fatigue management structure to allow employees to have better work/life balance, reduce injuries, and reduce mental fatigue.
 - BCWS is also adopting the National Standard for Psychological Health and Safety for the workplace.

2023/24 BC Wildfire Service Recruitment and Retention Advice to the Minister

Ministry: Forests

Minister Responsible: Bruce Ralston

- BCWS has developed the Occupational Athlete program. This program helps reduce injury on the fireline and relieve stress through physical therapy treatment at fire camps during deployments.
 - Following the 2018 fire season, BCWS implemented a confidential Safe Reporting Line dedicated to staff and their family members to provide help to staff suffering from stress, anxiety and PTSD. It provides services from a clinical counsellor in a timely manner.
- Recruitment
 - BCWS is in the process of increasing its staffing level from approximately 2000 staff in 2022 to approximately 2700 in 2024.
 - BCWS is partnering with the Public Service Agency to develop a new model for recruitment, human resources and employee relation services.
 - Benefits of this client-dedicated resources will mean improvement in service quality and efficiency across all service lines, an improvement in diversity and inclusion in new hires and retained staff, and a reduction in managers administrative workload enabling them to focus on other aspects of leadership. All of which will improve BCWS recruitment and retention outcomes.
 - Through the last collective agreement negotiation process identified over 100 positions to be converted from seasonal to fulltime. More positions will be converted in 2023.
- Training Life Cycle
 - Our training, certification, learning and development programs mirror the lifecycle of staff, providing opportunities on the continuum of new recruit to leadership positions within BCWS.
 - The expanded training and certification program is essential to BCWS' success in preparing and responding to the changing environment around fire management and its ability to prepare and respond to other natural hazards.
 - Elements of the new Learning Strategy include: analysis on how learning is developed and delivered throughout the organization; reviewing and assessing opportunities for improvement; gap analysis report on training and certification; and recommendations to modernize training, learning and development.
- New Recruit Bootcamp
 - For the 2023 fire season new recruits will paid for their time at training prior to receiving a job.
 - More accessible training has been developed to reduce the amount of time spent at New Recruit Bootcamp

Ian Meier

ADM

BC Wildfire Service

250-643-0078

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Summary Note Linking 4 Phases of Emergency Management with Partners

Revised: March 9, 2023

Issue: Four Phases of Emergency Management with Partners

Response:

- Wildfires are complex and impact all sectors of society. The Province is diligently pursuing partnerships at all levels to address shared responsibilities of public safety.
- Since 2017, changes in approach have demonstrated the value of pre-season engagement and developing year-round partnerships with Indigenous and non-Indigenous communities, stakeholders, and other levels of government.
- BCWS is building on this success to enhance partnerships across the pillars of emergency management to prevent, mitigate, prepare, respond, and recover from wildfires.
- An excellent example is the partnership BCWS has developed with the First Nations Emergency Services Society (FNESS).
 - BCWS works with FNESS to undertake wildfire protection plans, fuel reduction projects, identify culturally sensitive areas, seasonal readiness activities, training, and recovery planning.
 - This partnership enhances the working relationships between Indigenous communities and BCWS prior to an event, increases the overall preparedness of Indigenous communities, builds local capacity, and incorporates local and Indigenous knowledge into prevention, preparedness, and response tactics.
 - Communities are actively involved in developing response plans and communicating with the public. Local and Industry Liaisons are embedded with wildfire operations.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- BCWS continues to build partnerships at the national level to advance priorities for BC and to support the national level shifts to transform wildfire management.
- BCWS has established strong working relationships with international partners to increase the collective understanding of how climate change is contributing to longer, more intense wildfire seasons. Sharing information, research, conducting pilots and improving resource sharing capabilities are part of this work.
- Targeted engagement sessions are being held with the forest industry, stakeholders, and First Nations communities to increase awareness and involve stakeholders in preparedness and response operations, thereby increasing local knowledge and response capabilities.
- BCWS has established wildland fire and resiliency tables within the province, to bring together Indigenous and non-Indigenous communities in high-risk geographical regions to help assess risk, develop Community Protection Plans, provide advice on recovery planning and increase emergency operations capabilities.
- BCWS has established Liaison programs with the Cattlemen's Association, First Nations and communities to actively participate in preparedness, response planning and decisions.
- BCWS works with emergency management partners Emergency Management and Climate Readiness and Indigenous Services Canada to coordinate messaging and information for pre-season / seasonal readiness meetings and to advance preparedness activities across the Province.
- First Nations capacity in emergency management is being enhanced through the workplan that is part of the Tripartite MOU with the First Nations Leadership Council. In addition, BCWS is partnering with FNESS to support fire crew training and building an inventory of First Nations community capacity.
- Working with our partners in the BC FireSmart Committee, BCWS led a review on Wildfire Community Protection Plans and incorporated the findings into the Community Resiliency Investment Program and continue to work with communities.
- BCWS has established strong cross-ministry partnerships to advance understanding of broader wildfire objectives, and to incorporate climate change into decision making.

Contact:

Ian Meier	ADM	BCWS	250-643-0078
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Wildfire Land Based Recovery Program

Revised: March 10, 2023

Issue: Wildfire Land Based Recovery Program is an emerging priority for Ministry of Forests.

Response:

- The Province recognizes that wildfires are increasing in size and frequency which impact the land base requiring new approaches with consideration of climate change, cumulative effects and reconciliation with Indigenous peoples.
- In response to this new reality, the Ministry of Forests has established a Wildfire Land Based Recovery Program with key staff dedicated to this priority.
- A strategy has been developed to guide Land Managers and practitioners on how best to restore the landscape.
- The goal of rehabilitation and restoration after a catastrophic wildfire is to take actions that increase the resilience of the land and communities.
- All major wildfires undergo a screening by a professional geomorphologist to determine which will require additional detailed assessments based on increased risk to public safety or infrastructure.
- Wildfires with high risks undergo more detailed assessments by a qualified professional, mitigation options are identified, and affected Local Governments/First Nations, stakeholders or others such as utility companies or railways are notified of these results.
- Future Forest Landscape Level Plans will further prepare communities for wildfire risks and help establish more resilient ecosystems and align this work with BC's Climate Action Strategy.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- As a result of the impacts to the land base caused by multiple years of catastrophic wildfire, BC Wildfire Service and Regional Operations have collaborated to address the challenges of land based wildfire recovery.
- In 2021, a temporary provincial wildfire recovery team was assigned to coordinate wildfire recovery activities and develop an overarching wildfire recovery strategy for the Ministry of Forests. Temporary teams were also established in the heavily impacted regions and districts to coordinate and deliver the program.
- In 2023, a permanent program has been established and implementation of the strategy has begun.
- Building BC back better and reducing the risk from future wildfire is critical for our government and we continue investing in building resilient BC communities.
 - Key Facts:
 - In 2022, BC experienced 1,178 wildfires burning 133,436 hectares of land. Fires were generally small and recovery efforts are minimal compared to previous catastrophic fire seasons such as 2021.
 - In 2022, 191 kms of machine guard were established during fire suppression.
 - In 2021, 1610 wildfires burned 868,203 ha resulting in >5000 km of machine guard to be rehabilitated, ~1600 km of range fencing to be replaced and ~2500 ha of area to be grass seeded.
 - In 2021, approximately 419,521 hectares of the timber harvesting land base were burnt resulting in an estimated 36,500,000 cubic metres being impacted.

Contact:

Ian Meier	ADM	BC Wildfire Service	250-643-0078
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Reductions to Provincial AAC

Revised: March 20, 2023

Issue: The provincial timber supply is projected to decline from the current level of 60.3M cubic metre to 52M cubic meters by 2030.

Response:

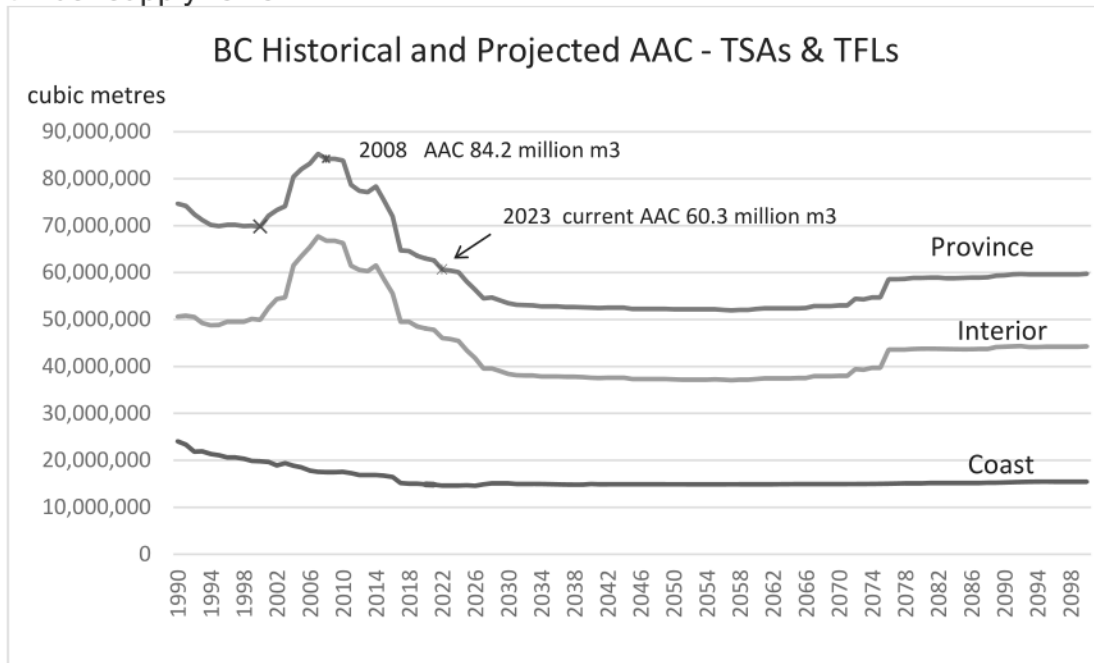
- During the 2000-2007 Mountain Pine Beetle epidemic, the Allowable Annual Cut (AAC) level for Timber Supply Areas (TSAs) and Tree Farm Licences (TFLs) was increased from 70M cubic metres to 84M cubic metres to allow salvage.
- Since 2007, as the beetle-killed timber has become less useable, the provincial AAC has declined to the current level of 60.3M cubic metres.
- AAC and Harvest fluctuate yearly. The average harvest for TSAs and TFLs over the last 7 years is 48,850,000 m³ or 73% of the 7 year average AAC.
- By 2030, the AAC for TSAs and TFLs is projected to decrease to about 52M cubic metres, approximately 24% below the pre-infestation level of 70M cubic metres.
- The average actual harvest for TSAs and TFLs over the last 7 years is 73% of the AAC total.
- This reduction may last 5 decades (the mid-term), after which the AAC could be increased as young forests become harvestable.
- This projection does not account for impacts related to future wildfires or insect infestations, the provincial Old-Growth Strategy, Caribou Recovery Plan, or other future land use decisions.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- The timber supply projection is shown on Page 3 are for TSAs and TFLs only. They do not include the timber supply from other tenures such as community forest agreements (2.1M cubic meters per year), First Nations woodland licences (0.8M m3/year) or woodlot licences (1.4M cubic meters per year).
- In addition to timber from Crown land, harvests from privately managed forest land in B.C. averages about 6.0M cubic meters per year.
- There is about 20 million hectares of Crown forest land that is available to harvest but currently uneconomic and therefore is not part of the AAC. If economic uses for these forests can be developed AACs declines could be reduced. As an example, currently most deciduous stands are not utilized but if economic uses can be found, commercial harvesting of these stands would mitigate AAC decline to a small extent.
- The timber supply projections illustrated below are based on the most recent timber supply review.



Contact:
Shane Berg ADM Office of the Chief Forester 250-851-6333

**2023/24 Estimates Note
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Heritage Conservation Act (HCA) Permitting Delays
Revised: March 6, 2023

Issue: Archaeology Branch Capacity and HCA Permitting Timelines

Response:

- The Province takes its role in overseeing the protection and conservation of archaeological and heritage resources through the administration of the Heritage Conservation Act (HCA) very seriously.
- I acknowledge that delays in the provincial archaeological permitting and assessment system are impacting industry, local governments, First Nations, Professional Archaeologists, and other British Columbians.
- As per my mandate letter, I am committed to improving timing and transparency of permitting processes to support sustainable economic development while maintaining high levels of environmental protection, in alignment with the cross-government permitting work led by the Ministry of Water, Land and Resource Stewardship.
- Additional resources have been committed to the Branch for permitting; two new staff for this fiscal year and a further four for fiscal years 2024/2025 and 2025/2026.
- Concurrent with these initiatives, the Province continues to seek interim solutions, including reviewing its internal processes to identify potential enhancements and efficiencies.
- Further, FOR is working with First Nations and stakeholders to complete amendments to the Heritage Conservation Act and the process includes identifying priority areas of change to better meet the needs of all British Columbians.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- The Archaeology Branch (the Branch) is responsible for administering the HCA, including: issuing inspection and investigation permits to qualified archaeologists to identify and assess protected archaeological sites; issuing alteration permits to developers to authorize alterations to known sites; maintaining the Provincial Heritage Register of all known archaeological sites in B.C.; providing archaeological information to eligible parties to inform land use decisions, and developing related policy and process.
- The Branch manages over 61,000 archaeological site records, receives 2,900 archaeological site record submissions annually, administers approximately 1,000 HCA authorizations annually (and the associated consultation), responds to over 4,000 individual requests for archaeological data annually, and advances operational and strategic relations with 204 indigenous communities and government agencies across B.C.
- This operational workload, which continues to grow rapidly, is undertaken by a core complement of 25 staff. The 25 staff constitutes 54% of total Branch staff; the remaining 46% are in externally funded and/or temporary term appointments.
- Nine new positions have been allocated to the Integrated Resource Operations Division in the three-year fiscal plan to help improve permitting turn around times; of these, the Branch has been allocated six positions.
- In 2022, it took the Branch an average of 255 days to process an HCA permit. Over 11,412 site records have yet to be processed.
- Another factor contributing to delays is the number of specialized engagement processes, information requirements and timelines associated with First Nations consultation per Provincial agreements, as well as deferred or longer consultation timeframes as required by First Nations (e.g., when considering impacts to significant sites, or when affected by natural disasters).
- Delay in issuing permits creates development uncertainty, increases timelines and costs and has significant impacts on the professional archaeological consulting community and many First Nations whose economic livelihoods are partially dependent on archaeological studies.
- To enhance capacity and improve service delivery, the Branch has sought to improve its systems and tools, streamlined business processes, advanced an organizational restructure, and negotiated several fee-for-service arrangements.

Contact:

Matt Austin	ADM	Integrated Resource Operations Division	250-360-6317
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: High Profile Heritage Conservation Act files

Revised: March 16, 2023

Issue: High Profile Heritage Conservation Act files

Response:

- Any proposed development that conflicts with a protected archaeological site must be carefully considered. The solutions to the concerns raised by First Nations are complex and must take into account the critical importance of culture and heritage to Indigenous communities, the Province's commitment to reconciliation, as well as the economic interests of British Columbians.
- The Ministry of Forests (FOR) works with affected Nations, property owners, development proponents, and the Ministry of Indigenous Relations and Reconciliation (MIRR) to explore an appropriate path forward where significant cultural sites may be at risk.
- FOR is advancing its mandate commitment to "[i]n collaboration with First Nations and with support from the Minister of Tourism, Arts, Culture and Sport, complete amendments to the *Heritage Conservation Act* in line with the DRIPA Action Plan."

Background/Status:

- Advice/Recommendations; Intergovernmental Communications

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Advice/Recommendations; Intergovernmental Communications

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Contact:

Matt Austin ADM Integrated Resource Operations 250-360-6317

**2023/24 Estimates Note
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Natural Disaster Response & Lytton Recovery: Archaeology

Revised: March 14, 2023

Issue: HCA Requirements for Natural Disaster Response and Lytton Recovery

Response:

- My heart goes out to the people of B.C. who have been severely impacted by wildfires and floods.
- I acknowledge these natural disasters have impacted cultural sites of high significance to First Nations.
- The Ministry of Forests is working with other ministries and government agencies to support the Province's response to natural disasters and ensure responsibilities under the *Heritage Conservation Act* (HCA) are addressed.
- The Province has established HCA permits to support wildfire recovery and rehabilitation, as well as emergency works related to 2021's catastrophic rains, and the resulting floods and landslides.
- With respect to Lytton's recovery, we are working with First Nations, the Village of Lytton, government agencies, businesses, landowners and other stakeholders to help guide and support Lytton's rebuilding process.
 - FOR's Archaeology Branch is working with the Village of Lytton and the Kumsheen Heritage Committee to ensure HCA requirements are not hindering progress.
 - HCA processes have been streamlined to support lawful development; the focus for 2022 was to remove debris and remediate contaminated sediments.
 - The Province, led by the Ministry of Emergency Management and Climate Readiness (EMCR), provided \$36.22 million in funding, with \$56.418 Million in total committed funding to support Lytton's rebuild.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- Lytton residents are asked to submit Information Requests to the Archaeology Branch to verify property ownership and contact information; using the 2022 fieldwork results, the Branch will provide management direction. Presently, 92 properties will require further work before they can be capped with introduced fill.
- The Branch is working with EMCR and the Village to ensure those developments planned for 2023 are prioritised.

Background/Status:

- HCA permits are in place to support disaster prevention activities, fire suppression activities, and remediation, rehabilitation, or the reinstatement of emergency infrastructure.
- The Archaeology Branch has received funding from partners like BC Wildfire Service to provide dedicated support to these provincially-significant initiatives.
- Advice/Recommendations; Intergovernmental Communications
-
-
- On December 14, 2022, Lytton Mayor and Council voted to support subsurface testing within sites that conflict with protected sites, prior to importing fill.
- Archaeological work is underway; results will inform management direction, prioritizing property owners slated to rebuild in 2023.

Contact:

Matt Austin ADM Integrated Resource Operations 250-360-6317

**2023/24 Estimates Note
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Canada's Spotted Owl Imminent Threat Assessment and Critical Habitat

Revised: March 10, 2023

Issue: Environment & Climate Change Canada's Spotted Owl Imminent Threat Assessment and draft Critical Habitat has potentially significant impacts to timber harvest opportunities in the South Coast.

Response:

- **B.C. is doing everything we can to help Spotted Owls recover, including:**
 - protecting more than 280-thousand hectares of Spotted Owl habitat, which is enough to support a future population of 125 breeding pairs;
 - running the world's only captive breeding and release program; and
 - actively managing invasive Barred Owl populations.
- **Spotted Owl experts, with decades of experience in Spotted Owl recovery, do not recommend additional habitat protection measures be implemented.**
- **Spotted Owl experts recommend a science-based, adaptive habitat management approach that adjusts protection measures in response to the behaviour of released owls over time.**
- **The ministry recently deferred logging in two Fraser Canyon watersheds specifically to help protect additional Spotted Owl habitat, as well as other areas of old growth forests.**
- **We continue to work with First Nations partners and the federal government on Spotted Owl recovery.**
- **B.C. is ensuring the federal Cabinet is fully aware of the socio-economic impacts of unnecessarily protecting additional habitat.**

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- In 2022, Ecojustice Canada (on behalf of the Wilderness Committee) submitted a petition to Canada for an Emergency Order Recommendation under the Species At Risk Act (SARA) for the Spotted Owl due to:
 - the extremely small Spotted Owl population;
 - Canada not identifying critical habitat; and
 - B.C. continuing to authorize logging in suitable spotted owl habitat.
- Advice/Recommendations; Cabinet Confidences
-
- B.C. has protected over 281,000 hectares of critical habitat in Wildlife Habitat Areas; enough to support a long-term population target of 125 breeding pairs.
- The multi-decade effort to recover Spotted Owls is dependant upon the success of the world's first Spotted Owl captive breeding program (started in 2007) which just released the first three captive-born owls in August 2022.
- B.C.'s world class experts do not recommend additional habitat protection measures at this time as we do not fully know how captive bred owls will disperse or respond to B.C.'s approach to managing competing Barred Owl populations (a major risk to Spotted Owl recovery); rather an adaptive habitat management strategy is recommended where additional protection measures are implemented as more is understood about the released owls.
- B.C.'s forest sector is undergoing a transformation to better protect old growth forests and prioritize ecosystem health. These shifts are expected to support the future recruitment of suitable critical habitat that exceeds current options on the land base.
- SARA is an inflexible "safety net" legislation that requires conservative assessment of the status of species and favours habitat protection measures as the primary action regardless of risks.
- There is currently no ability within SARA for the federal minister to consider social or economic impacts that may result from recommendations to protect a species.
- B.C. will need to ensure that the federal Cabinet is fully informed of the socio-economic impacts of protecting a further 120,000 hectares.

Contact:

Sarah Fraser ADM South Area 250-213-5087

2023/24 Estimates Debate

Ministry of Water, Land and Resource Stewardship

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Issue: Caribou Recovery Program (Southern Group, Central Group, Boreal, Northern Group and Northern Mountain)

Recommend Response:

- The Caribou Recovery Program is a long-term commitment to the recovery and stewardship of caribou in B.C.
- The programmatic approach supports the efficient implementation of comprehensive recovery actions based on traditional knowledge and science.
- On average, B.C. has invested nearly \$10 million/year over the last five years. This funding has leveraged partnerships and additional funding. Canada is our largest contributing partner providing up to \$5 million/year through Shared Cost Agreements.
- To halt and reverse the decline in caribou populations, we will continue this level of investment in the Caribou Recovery Program.
- We are also increasing partnerships with First Nation governments and supporting indigenous-led efforts to achieve shared program goals.
- A priority this coming year is to reach out to communities, industry, and stakeholders to collaborate in the development of specific habitat objectives.
- The Section 11 Agreement with Canada helps ensure a shared understanding of priorities, actions, and outcomes.

Key Facts:

- One of the main factors of caribou population decline is habitat loss and fragmentation due to human activities such as logging, mining, and oil and gas development.
- Large areas of mature forests have been converted to young and more open forest landscapes that provide ideal foods for deer, elk, and moose. These ungulate species are the primary prey of wolves and cougars, which has resulted in a higher density of predators, particularly wolves, in areas that were historically predator refuges for caribou.

2023/24 Estimates Debate

Ministry of Water, Land and Resource Stewardship

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- Recent implementation of intensive management actions (i.e., maternal penning, and predator control) combined with habitat protection has resulted in positive population trends for several herds.
- For example, in partnership with Saluteau, and West Moberly First Nations, habitat protection, predator management, and maternal penning has reversed the declining caribou population where the population has grown from 162 in 2014 to 355 in 2021.
- WLRS staff are focusing on herds that have high feasibility of recovery, enhancing existing and exploring new partnerships with First Nations, and collaborating with communities and subject matter experts to develop herd plans and implement specific recovery objectives.
- Successful caribou recovery requires a coordinated approach (depending on the specific conditions faced by a herd) involving a unique combination of actions such as:
 - Habitat protection
 - Habitat restoration
 - Predator management
 - Management of other prey species like moose and deer
 - Maternal penning/conservation breeding
- Despite these investments and actions all 6 of the Boreal herds and 14 of 32 the Southern Mountain caribou herds are in decline. Ten of the 55 herds in B.C. have fewer than 25 animals.
- BC will continue to prioritize recovery actions to achieve the goal of self-sustaining herds and to uphold the rights of First Nations. Without continued investment in caribou recovery, the province is at risk of Federal intervention through a habitat protection order under the federal Species at Risk Act.

Date Prepared/Revised: March 07, 2023

Ministry Executive Sponsor:

Name: Jennifer Psyllakis

Phone: (250) 812-7797

Alternate Contact for Issue:

Name: Darcy Peel

Phone: (778) 220-3449

2023/24 Estimates Debate

Ministry of Water, Land and Resource Stewardship

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Issue: Predator Management for Caribou Recovery

Recommend Response:

- Caribou are an iconic species at risk. Population declines are a result of complex interaction among multiple factors including habitat loss and increased rates of predation.
- In the short term, while habitat conditions are restored, managing predators is an important recovery action to ensure local extinctions do not occur.
- Decisions to implement predator management are not taken lightly and are supported by a detailed assessment of the specific circumstances.
- Through monitoring efforts, and in partnership with researchers, we are documenting positive trends in caribou populations in many of the areas where predator management is being implemented.
- We will continue to assess the results of predator management, as well as the effects of other recovery actions including habitat protection, habitat restoration, and maternal penning as we work toward our objective of self-sustaining caribou populations in B.C.

Key Facts:

- Wolf densities in some areas and overlapping declining caribou populations are significantly above what is expected when compared to historic distributions and the scientifically supported threshold needed to ensure a self-sustaining caribou population.
- Predator management is only implemented for caribou populations where there is no licensed harvest and habitat protections are in place or underway.
- When predator management is applied effectively, the targeted wolf density can be achieved quickly and usually results in positive population response through increased calf survival and fewer adult cow mortalities.
- Working with First Nation communities, trappers and through hunting regulations may be a preferred approach to reducing wolf densities; however, these techniques are often not effective over large, difficult to access areas. Therefore, intensive efforts with helicopters is the primary technique used for wolf management.

2023/24 Estimates Debate

Ministry of Water, Land and Resource Stewardship

Previous 2 years of predator management:

Program Area	Wolves Removed 2021	Cougars Removed 2021	Wolves Removed 2022	Cougars Removed 2022	Total cost 2022 (\$)
Southern Mountain – Southern Group					
Central Selkirks	3	4	11	2	129,358
Columbia North	6	4	3	5	116,366
North Cariboo			7	0	65,000
Hart Ranges	32	-			155,000
Southern Mountain – Northern Group					
Graham	31	-	10	0	185,936
Itcha-Ilgachuz	10	-	66	0	175,529
Tweedsmuir	48	-	36	0	235,959
Southern Mountain – Central Group					
South Peace	40	-	26	-	140,000
Northern Mountain					
Pink Mountain	40	-	50	0	225,131
Boreal					
Chinchaga (Milligan Core)	27	-	41	0	119,243
TOTALS	237	8	250	7	\$1,547,522

Date Prepared/Revised: March 07, 2023

Ministry Executive Sponsor:

Name: Jennifer Psyllakis

Phone: (250) 812-7797

Alternate Contact for Issue:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Caribou Recovery in the North Area

Revised: March 21, 2023

Issue: Caribou recovery implications in Northeast region.

Response:

- While caribou recovery planning is led through the Ministry of Water, Land and Resource Stewardship, my Ministry will be working closely with WLRS to support the initiatives, realize opportunities, and address implications going forward.
- Any incremental impact to the timber supply above the existing protections under the Caribou Partnership Agreement will require a cabinet mandate.
- I acknowledge there will be trade-offs and implications to the forest sector. Collaboration is key to addressing species at risk, treaty rights, and opportunities for a viable forestry sector within the Peace region.
- We'll be actively working with First Nations, communities and licensees on a collaborative path forward.

Background/Status:

- B.C.'s forestry sector is facing a decline in fibre supply from years of intense wildfires, beetle infestation salvage logging coming to an end, and changing land-use interests including a focus on old growth deferrals.
- In Northeast region, the fibre supply is further reduced by land protection and restoration commitments between the Province and Treaty 8 First Nations for Treaty Land Entitlement and Tripartite Land Agreement areas, caribou recovery, and ensuring Treaty 8 First Nations' rights are upheld.
- Caribou recovery planning in the Northeast is actively occurring within all three Timber Supply Areas (TSAs): Dawson Creek, Fort Nelson, and Fort St John.
- Dawson Creek TSA and Tree Farm Licence 48: The Caribou Partnership Agreement within the Dawson Creek TSA was signed in February 2020 by B.C., two Treaty 8 First Nations (Saulteau FN and West Moberly FN) and Canada.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- The objective of the Agreement is to immediately stabilize and grow the caribou populations in this area to levels that are self-sustaining and support traditional aboriginal harvesting activities, consistent with existing Aboriginal and Treaty rights.
- Caribou recovery planning in this area has been controversial for local communities.
- Several actions under this Agreement have or will have implications on the forest sector in this TSA:
 - *Forest Act* Part 13 moratorium areas were implemented upon signing this Agreement, impacting 218,069m³/year of fibre supply.
 - Winter recreation closures came into effect in December of 2021, closing 454,000ha of Crown land to snowmobiles.
 - The parties to the Agreement are currently working on caribou recovery related land use objectives. A thorough socio-economic analysis will be completed prior to requesting Government approval to initiate public engagement. Further timber supply impacts are expected, but integrated planning will be initiated so that further impacts can be mitigated.
 - Caribou ranges within this area will be subdivided into smaller units. These units will be either Caribou Habitat Recovery Areas, where development activities will be temporarily deferred until the habitat has recovered, or Caribou Habitat Management Areas, where development activities will be allowed if the proponents of these activities work together to coordinate and minimize impacts to caribou habitat.
- Fort Nelson TSA: The Boreal Caribou Protection and Recovery Plan has completed public engagement and is moving towards implementation. Fort Nelson First Nation has played a leadership role in this plan. There has been no participation from Canada. The plan's objectives are to support boreal caribou recovery planning through habitat protection, while providing an opportunity to restart the forestry sector within the TSA.
- Fort St. John TSA: Identification of caribou habitat and overall plan scoping are underway.
- Ministry of Forests is advocating for integration of all planning activities on the land base. This enables caribou recovery and forestry to be positioned within a broader landscape context with multiple values to be managed together.

Contact:

Mike Hykaway	ADM	Regional Operations	(250) 893-7516
		North Area	

**2023/24 Estimates Note
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Tsilhqot'in National Government, including status of title land tenure compensation, buy out

Revised: March 13, 2023

Issue: Tsilhqot'in National Government opposition to Provincial moose harvest management

Response:

- Our government recognizes the important place wildlife holds in First Nations cultures.
- Science always informs wildlife harvest decisions, as does our commitment to work alongside First Nations.
- We regret that we have not yet achieved a consensus on moose harvest management with the Tsilhqot'in National Government but we continue to work together to find more common ground.
- The management of licenced moose harvest in the region is managed very conservatively and is only one part of the puzzle with respect to moose management. Habitat, access management and broader objective setting are all critical aspects of our shared success in achieving wildlife management goals.
- We continue to address issues and opportunities to improve wildlife stewardship through both conversations with Indigenous partners and stakeholders, as well as through the many goals expressed in government's Together for Wildlife strategy.

continued next page

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

If asked about Guide territories overlapping the Declared Title Area:

- I recognize that this is a long-standing issue dating back to the original *William* decision and want to reassure you that efforts to address guide uncertainty are continuing.
- The Province is working to build a transition plan that recognizes the Tsilhqot'in right to control their title lands and enjoy its benefits while providing certainty to businesses.

Background/Status:

- Advice/Recommendations; Intergovernmental Communications
- Engagement on the 2022-2026 Annual Allowable Harvest (AAH) has been ongoing with the Tsilhqot'in National Government (TNG) since September 2020. Despite over 27 separate meetings and briefings, over that time no consensus has been reached.
- 2022 harvest levels represented a 45% reduction from 2017 authorizations, when the last 5-year AAH was set.
- AAH numbers remain higher than the reduced numbers in place from 2019-2021 and are not considered sufficiently low by the TNG. The TNG issued news releases on June 30, 2022 and August 25, 2022 asking licensed LEH hunters to forego their authorizations.
- Guide outfitters and resident hunters also continue to express concerns with harvest levels, except in their case they claim harvest levels are too low, and that these precautionary levels are not supported by science.
- Four guide outfitters have Guide Territories that are partially within the Declared Title Area, and where licenced hunting is not permitted by local First Nations who hold title there.
- These guides are seeking government assistance in resolving this issue, noting that their territories are not economically viable under current conditions.

Contact:

Matt Austin ADM Integrated Resource Operations Division 250-360-6317

2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Wildlife Act Review

Revised: March 6, 2023

Issue: Review of the Wildlife Act in collaboration with Indigenous Peoples

Response:

- In the Together for Wildlife Strategy, the Province committed to review the *Wildlife Act* (the Act).
- The Together for Wildlife Strategy identifies priority areas to be included in the review: reconciliation with Indigenous peoples, determination of objectives for wildlife populations, improved wildlife stewardship, effective and accessible service delivery, and dedicated funding.
- In addition to these priority areas, there are also a number of administrative updates needed to support the proper functioning of the Act.
- A review of the Wildlife Act also supports the commitment in the *Declaration on the Rights of Indigenous Peoples Act* to align provincial laws with the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) in consultation and cooperation with Indigenous peoples.
- A Consultation and Cooperation Plan describing the scope, collaboration processes and timelines has been adopted.
- The Province has initiated the policy exploration stage with members of the First Nations-B.C. Wildlife and Habitat Conservation Forum.
- It is anticipated that the *Wildlife Act* review will be complete in the spring of 2026.
- The *Wildlife Act* review expands upon the reconciliation-focused amendments made in Bill 14 in Spring 2022, which support the incorporation of Indigenous Knowledge into decision-making and recognize traditional hunting protocols between First Nations.

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- Water Land and Resource Stewardship (WLRS) is the lead for the Together for Wildlife Strategy which includes Action 12 to undertake a review of the *Wildlife Act*.
- As the legislative authority for the *Wildlife Act* resides with the Ministry of Forests, both ministries will lead the *Wildlife Act* review collaboratively.
- The *Wildlife Act* has not been significantly updated since 1981 and remains largely focused on extractive activities (e.g., hunting, trapping).
- We have heard from Indigenous leadership that wildlife stewardship is a key priority in reconciliation, and an important venue for developing co-management and shared decision-making processes that will advance the alignment of provincial legislation with UNDRIP.
- In addition to updates to align laws with UNDRIP, the scope of the review will also consider updates to support objective setting for wildlife populations, habitat stewardship, compliance and enforcement, funding, and improved hunting, trapping and angling practices.
- Recent court decisions such as *R. v. Desautel (2021)* and *Yahey v. British Columbia (2021)* have further highlighted obligations of Government in managing wildlife stewardship and use.
- The review will be coordinated with, and informed by, other Provincial initiatives related to ecosystem stewardship and land management that have the potential to support wildlife stewardship and habitat conservation (e.g. Old Growth Strategic Review recommendations such as the declaration to prioritize ecosystem health and biodiversity).

Contact:

Matt Austin	ADM	Integrated Resource Operations Division	250-360-6317
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Wildlife Allocation
Revised: March 6, 2023

Issue: Wildlife Allocation

Response:

- Wildlife harvest allocation policy establishes the process to provide hunting opportunities to resident and guided hunters, while maintaining healthy and sustainable wildlife populations.
- The Ministry prioritizes wildlife for conservation (first); First Nations' food, social and ceremonial harvest (second); resident opportunity (third); and guided opportunity (fourth).
- Since 2017, harvest allocation decisions have been centralized to the Director of Wildlife to standardize the process and timelines across all areas of the province.
- Determination of Limited Entry Hunting authorizations (for resident hunters) and quota for guide outfitter licences is underway for the 2023/24 season with final decisions being made in spring 2023.
- Ministry staff are engaging with First Nations on harvest needs and collaborating on the annual allowable harvest determination towards reconciliation and co-management.

Background/Status:

- Annual allowable harvest for certain big game species in specified areas of the province is shared among resident hunters and guides.
- Government's 2015 decision defined the allocation policy and splits between residents and non-residents and was the result of a comprehensive review that engaged both resident hunters and guides with the intent of developing a

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

consistent and transparent policy that is fair to all wildlife users. This decision was reaffirmed by incoming government in 2017.

- The set allocation splits provide resident hunters with priority for hunting opportunities and provide the guiding sector with a level of business certainty.
- Guide outfitters are given a notional allocation for a five-year period to provide business certainty and assist in business planning.
- Statutory decisions on allocation are made annually. Typically, resident allocation is released in May (Limited Entry Hunting authorizations) while guides are provided tentative quotas for planning purposes in December and final allocation and quota numbers in April.
- Available harvest for licensed hunting can decline because of declining wildlife populations or increased Indigenous harvest or co-management agreements.

Contact:

Matt Austin ADM Integrated Resource Operations 250-360-6317

2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Wildlife Populations Summary

Revised: March 6, 2023

Issue: BC Wildlife Populations Summary

Response:

- Wildlife populations are surveyed at regular intervals to ensure quality of information for wildlife and habitat stewardship and inform sustainable hunting and land use decisions.
- The ministry aims to survey each important management unit once every five years.
- Provincial ungulate population estimates are summarized from regional data, updated, and posted online every three years.
- Depending on species and conservation status and abundance, different methods are used (e.g., aerial survey from helicopter and/or harvest data).
- The most recent estimates were developed in 2022.

Background/Status:

- Wildlife population surveys and inventory support the following objectives:
 - Optimized, sustainable use of wildlife that provides for First Nation needs, recreational hunting, and an economically viable guide-outfitting industry.
 - Acquisition of trusted data to resolve First Nations and stakeholder concerns with wildlife populations and inform resource-use decisions.
 - Wildlife population inventories to estimate population trends, prioritize areas for applied research and management actions, and on-the-ground habitat enhancement and restoration activities.
- **Ungulates**

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Ministry: Forests
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- **Caribou** are monitored very closely at the herd level, led by the Provincial Caribou Initiative in WLRS.
- **Moose and elk** are inventoried using aerial surveys by management unit. The ministry aims to survey each important management unit once every five years, although this is not always possible. Where possible moose surveys are designed to collect information on both population size and bull-to-cow ratios in the populations.
- **Black tailed deer, mule deer, white tailed deer** are abundant throughout their range. Given this abundance, estimates are mostly based on harvest numbers and do not indicate a conservation concern.
- **Bison** data is based on aerial surveys.
- **Sheep and mountain goat:** population trends can vary both regionally and by herd. Populations are monitored for both overall population size and for generation dynamics (e.g. presence of mature males, young).

		Moose	Elk	Black Tailed Deer	Mule Deer	White Tailed Deer	Bison	Thinhorn Sheep	Bighorn Sheep	Mountain Goat
Region		2022 Estimate	2022 Estimate	2022 Estimate	2022 Estimate	2022 Estimate	2022 Estimate	2022 Estimate	2022 Estimate	2022 Estimate
1 Vancouver Island		10 - 20	5300-6300	44,000 - 65,000	0	0	0	0	0	1,500 - 2,600
2 Lower Mainland		70 - 100	2,200 - 2,800	17,000 - 29,000	3,000 - 5,000	20 - 50	0	0	0	1,700 - 3,000
3 Thompson		7,000 - 9,000	300 - 500	1,000 - 2,000	30,000 - 50,000	6,000 - 10,000	0	0	1,400 - 1,600	1,600 - 1,800
4 Kootenay		4,000 - 6,000	10,000 - 20,000	0	10,000-20,000	30,000 - 60,000	0	0	1,700 - 2,000	7,000 - 8,000
5 Cariboo		15,000 - 24,000	350 - 500	1,000 - 6,000	15,000 - 25,000	2,000 - 5,000	0	0	350 - 500	3,500 - 5,000
6 Skeena		25,500 - 48,000	300 - 700	35,000 - 55,000	2,000 - 3,000	500 - 1,500	0	4,100 - 7,700	0	19,000 - 25,000
7 Omineca		23,500 - 39,000	1000 - 1800	0	3,000 - 6,000	500 - 1,000	0	300-600	0	4,500 - 8,500
7 Peace		37,500 - 60,500	15,000 - 35,000	0	4,000 - 7,000	4,000 - 10,000	1,100 - 1,900**	6,700 - 9,900	100 - 200	4,400 - 6,700
8 Okanagan		4,000 - 5,000	2,500 - 3,500	0	28,000 - 42,000	31,000 - 44,000	0	0	600 - 900	200 - 300
PROVINCIAL TOTAL (RANGE)		115,000 - 192,000	35,000 - 71,500	98,000 - 155,000	95,000 - 160,000	74,000 - 135,000	800 - 1,800	11,000 - 18,500	4,000 - 5,500	43,000 - 61,000
PROVINCIAL TOTAL (MIDRANGE)		153,000	53,000	127,000	128,000	105,000	1,300	15,000	5,000	52,000

**note – Vancouver Island region includes a portion of the Central Coast.*

- **Wolves (pop. est. 8,500):** Limited survey work is done on wolves because there is low conservation concern for wolves in B.C. Wolves are very resilient to harvest, and hunter and trapper harvest is relatively light in most of the province. Wolves have recolonized most of their former range in B.C. except parts of the south Okanagan and the lower mainland.
- **Grizzly bear (pop est. 15,000)** abundance has been estimated in many places in the Province and monitoring of some populations has been on-

2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

going for years and in some cases decades, resulting in strong datasets. Grizzly bear populations are broken down into 55 Grizzly Bear Population units (GBPU), each with its own conservation ranking.

- **Black bear (pop est. 140,000):** Few inventories have been done for black bears in B.C. because there has been low conservation concern, hunter harvest is low, and abundance was known to be high. Recent calculations of harvest rate where we have inventory numbers confirm low harvest rates in parts of the interior. This is less certain for coastal areas.
- **Cougar (pop est. 6,000):** We have precise estimates of cougar abundance and trend because hunter demand is high, and harvest is managed carefully. Cougar numbers appear to roughly cycle in interior B.C. and seem to follow deer numbers. On Vancouver Island numbers are low compared to two decades ago, and do not appear to cycle, but are not considered at risk.

Contact:

Matt Austin ADM Integrated Resource Operations Division 250-360-6317

2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Carbon and Climate Change Mitigation

Revised: March 8, 2023

Issue: Forest carbon and climate change mitigation through land management

Response:

- The Intergovernmental Panel on Climate Change recognizes that land management, including forest management, is critical to addressing climate change and its impacts.
- British Columbia (BC) uses many carbon mitigation strategies in our forests, such as planting more trees, fertilizing existing forests, minimizing losses from fires/pests/pathogens, conservation, and restoring forests that have been affected by natural disturbances.
- Forests and forest management can be a natural climate solution through carbon mitigation, investing in a portfolio of activities that reduce emissions, enhanced carbon sequestration, and increased forest resilience.
- Utilizing forestry waste from harvesting and production of wood products to produce secondary wood products and bioenergy also reduces emissions by avoiding open burning emissions in slash piles.
- Some carbon mitigation actions may also qualify for the generation of carbon offsets, which can generate revenue while helping meet climate commitments.
- FOR and other partners are undertaking research projects on forest carbon to improve our understanding of their greenhouse gas balance from a lifecycle perspective, including wood products, risks of future disturbances, and synergies and trade-offs between multiple values.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- The ability of a forest to be a carbon sink depends on a number of factors including growth rates, ecosystem type, forest resiliency to future disturbances, utilization of harvested timber, and whether residual fibre is burnt in slash piles while harvesting.
- As part of the CleanBC Roadmap to 2030, the Province will work towards near elimination of slash pile burning by 2030 and will increasingly divert materials away from slash piles and into bioproduct development, reducing both air pollution and emissions while creating new economic opportunities.
- In 2023, the Province invested \$50 million to the Forest Enhancement Society of BC to expand their funding for projects and programs that increase the use of low-value or residual fibre, including trees damaged by recent wildfires and waste left over from logging that would otherwise be burned in slash piles.
- The Climate Action Secretariat is currently revising the BC Greenhouse Gas Offset Protocol: Forest Carbon (FCOP v2.0) to reflect changes in BC legislation and updated best practices and meet CleanBC commitments.
- The Province continues to invest in reforestation of areas impacted by natural disturbances as a climate mitigation strategy through the new Forest Investment Program and the federal 2 Billion Trees program, with \$8.7 million invested and 2.3 million trees planted in 2021, \$18.2 million and 9 million trees in 2022, and \$21 million and 29 million trees planned in 2023.
- From 2017/18 to 2023/24, the Province and federal government committed \$290 million through the Low Carbon Economy Leadership Fund (LCELf) to provide investment in forest carbon projects across BC. This project portfolio is expected to result in a cumulative emission reduction of 6.3 million tonnes of carbon dioxide equivalent (MtCO₂e) by 2030, 10.6 MtCO₂e by 2050, and 31.5 MtCO₂e by 2080.
- The LCELf has also achieved the following outcomes:
 - On projected economic benefits:
 - More than 1,150 direct jobs (person-years) as a result of project investments.
 - Over 150 million trees planted in areas impacted by natural disturbances such as wildfires, insects, and other pathogens.
 - More than 63,000 hectares of nutrient deficient forests have been fertilized to increase growth and sequester more carbon.
 - More than 4.5 million cubic metres of fibre were diverted from burning, resulting in an immediate reduction of GHGs. The bioproducts created from this fibre included pulp, pellets for bioenergy, fence posts, newsprint, and oriented strand board.
- BC will be developing a Forest Carbon Summary (2024 est.) which will utilize a lifecycle perspective to better elaborate forest-sector specific emissions in BC's Provincial Inventory of Greenhouse Gas Emissions. The resulting report will

2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

identify options for sectoral standards to ensure alignment with the *Climate Change Accountability Act*.

Contact:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Clearcutting and Flooding

Revised: March 6th, 2023

Issue: Impacts of Clearcut Harvesting on Flood Events

Response:

- In addition to forest harvesting, any disturbance that results in the loss of vegetation cover can contribute to an increased risk of flooding, including wildfire, insect attack or other catastrophic events.
- In BC, bark beetles impact an average of 4 million hectares of forest annually. 2.3 million hectares have burned in wildfires over the last five years. In comparison, less than 833,000 hectares were harvested across the province in the last five years.
- Prompt reforestation of harvested areas and those areas damaged by wildfire and pests is essential to mitigate potential flooding risk, and address impacts of climate change.
- Not all harvesting is done using clearcut methods. Today, area harvested by clearcut (with no reserves) represents less than 10% of harvest area. The use of alternate silvicultural systems such as clearcut with reserves and variable retention harvesting have been steadily increasing since the early 2000s. These alternative harvest methods retain trees and other vegetation within cutblocks in clumps or as individual stems.
- Forest professionals use a variety of methods to reduce the risk of flooding and landslides, including avoiding harvest and road building on areas identified with unstable slopes; establishing no-harvest zones within cut blocks adjacent to

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Ministry: Forests
Minister Responsible: Bruce Ralston

creeks; retaining trees within cutblocks; and prompt reforestation following harvest.

- One of the most impactful ways to address flooding risk and manage the cumulative effects of timber harvesting and the impacts of climate change is planning at the landscape level. Recent changes to the *Forest and Range Practices Act*, including the introduction of the new Forest Landscape Planning regime, will improve how we manage our forests to reduce the impacts commonly associated with increased flooding risks.

Background/Status:

- Loss of vegetation cover can happen through harvesting, and also through wildfire, bark beetles and other catastrophic events. The loss or change of vegetation alters the hydrological cycle and water balance of the landscape, and may create soil conditions less conducive to absorbing water.
- The *Forest Planning and Practices Regulation* requires that “a person who carries out a primary forest activity (e.g. harvesting or road building) does not cause a landslide that has a material adverse effect”.
- Forest professionals use detailed terrain stability maps to identify and delineate areas of unstable or potentially unstable terrain based on the characteristics of surficial material, landforms and geological processes when planning harvest and forestry road construction. A terrain stability field assessment is completed by a qualified professional to assess the potential impacts of harvesting, including flood and landslide risks.

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2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: CPAS, CleanBC and Forests.

Revised: March 8, 2023

Issue: CleanBC, CPAS through Forest Management

Response:

- The Climate Preparedness and Adaptation Strategy (CPAS) was released in 2022 to meet the Province's requirement to develop a plan to adapt, mitigate, and manage climate risks.
- CPAS provided new funding over three years to increase climate science and capacity, and to develop a Climate Adaptation Policy Framework specific to FOR.
- CPAS funding includes \$5M to establish the Future Forests Ecosystems Centre, a scientific team that forecasts climate change impacts for B.C.'s forest ecosystems to ensure that decision makers have climate risk information.
- The 2021 CleanBC: Roadmap to 2030 responds to the Province's requirement to develop a plan to meet legislated emissions targets. This includes actions to reduce emissions and increase carbon sequestered in B.C.'s forests.
- Under the Roadmap, the Province is developing new rules on how forest carbon offsets are implemented, ensuring they support communities, promote ecosystem health, and have verifiable, long-term emissions reduction.
- FOR is leading the Forest Bioeconomy Pathway under the Roadmap, which includes growing/caring for B.C.'s carbon sinks, supporting bioproduct development and manufacturing, nearly eliminating slash pile burning by 2030, and increasing fibre utilization.

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Advice to the Minister

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- The Province and First Nations are working in partnership with stakeholders to implement the recommendations of the Old Growth Strategic Review to develop a new approach to sustainable forest management.

Background/Status:

- Climate Risks:
 - The Climate Risk Assessment for B.C. (Ministry of Environment and Climate Change Strategy, 2019) indicated that severe wildfire seasons and seasonal water shortages are the highest-ranked risks facing B.C.
 - The province has faced extreme weather events that have impacted forest resources including an unprecedented heat dome and disastrous flooding that occurred in 2021, catastrophic flooding that occurred in 2018 and dangerous wildfires that occurred in 2017.
- Federal Funding Opportunities:
 - The federal National Adaptation Strategy was released on November 24, 2022, along with a Federal Action Plan and \$1.6B in funding. The federal government intends to implement bilateral action plans with provinces and territories by 2024.
 - FOR is committed to working with the Climate Action Secretariat (Ministry of Environment and Climate Change Strategy) to ensure a government-wide approach to climate action, to identify shared priorities, and to leverage new and existing programs for funding opportunities.
- Climate Change Strategy:
 - FOR updated its Climate Change Strategy for 2021-2025, outlining ministry vision, goals and objectives. Following its release in November 2021, regions and business areas have been updating their Climate Action Plans to implement the strategy.
- Economics of Climate Adaptation:
 - Investing in mitigation and adaptation makes economic sense. For example, reducing wildfire risks and impacts, controlling pests, and planting climate-resilient trees are projected to reduce the impacts of climate change on timber supply. A 2022 report by the Canadian Climate Institute indicates that every dollar spent on adaptation measures results in savings of \$13-\$15 of total benefits accrued.

Contact:

Shane Berg

ADM

Office of the Chief
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Forest Carbon Offsets (FCOP v2.0)

Revised: March 14, 2023

Issue: Draft “British Columbia Greenhouse Gas Offset Protocol: Forest Carbon” (FCOP v2.0), released for stakeholder consultation

Response:

- Organizations that have an obligation or desire to reduce their greenhouse gas emissions can purchase BC forest carbon offsets to meet reduction or sustainability targets.
- Forest carbon offsets are in demand globally as companies and countries work towards meeting GHG targets. In 2021, nearly \$1.7 billion was generated in global voluntary carbon market transactions, trading 227.7 million metric tons of carbon credits (MtCO₂e) from sustainable forestry and land use. A further \$98 billion was generated from compliance markets.
- Forest carbon offsets can play an important role in conserving the environment, creating habitat for endangered species, lowering carbon emissions, and restoring natural capital.
- The Climate Action Secretariat (CAS) released the draft of BC’s Forest Carbon Offset Protocol version 2 (FCOP v2.0) on February 16, 2023, for stakeholder consultation.
- The new version of FCOP reflects changes in BC legislation, updates best practices to meet CleanBC commitments and expand access to carbon offset markets for Indigenous communities and forest companies, supporting them to generate revenue while helping others meet their climate commitments.

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Background/Status:

- With support of multiple ministries and stakeholders, a draft version of the protocol was developed and circulated for stakeholder consultation and feedback on February 16, 2023.
- Since 2016, Government has been working to revise the protocol and address comments which focused on a variety of aspects of the protocol including quantification, permanence, and land use.
- FCOP outlines the required guidelines and methodology to ensure that forest carbon offsets are real, measurable, and align with global best practices.
- Atmospheric benefits resulting from the implementation of a forest carbon offset project do not have a commercial value as a BC offset unit until they have undergone a validation, verification, and registration process.
- Stakeholders and First Nations have asked for clarity in acquiring the property rights for forest carbon offset projects on Crown land.
- Management of forest carbon offset projects requires certainty of harvest rates for 100 years after the offset unit is produced. The province is presently exploring options that would better ensure both the authority to transact and permanence of forest offset projects on Crown land.
- Existing legislation and regulations do not clearly provide a method of assigning rights to atmospheric benefits and the sale of carbon offsets produced on Crown land as required by FCOP.
- Treasury Board Directive #2/15 provides the authority to enter into agreements to dispose of Atmospheric Benefit Rights. To date the authority to sell offsets has been generated through Atmospheric Benefit Agreements (ABAs).
- ABAs on Crown land require a decision by the Minister of Forests.
- About 46 First Nations have expressed an interest in developing offset projects because they provide an economic opportunity and can be developed to align with traditional land management practices. Under the previous FCOP, the Great Bear Rainforest Project was developed as a part of the Reconciliation agreement between the province and the Coastal First Nations and the Nanwakolas Council.
- FOR will play a key role in the implementation of FCOP on Crown Lands including providing guidance/outreach, negotiating and issuing of tenures/ABAs.
- Demand for forest carbon offsets is increasing. Voluntary (i.e. carbon neutral) purchases of carbon credits increased by a factor of 32 times between 2020 and 2021.

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2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Forest Enhancement Society of BC.

Revised: March 6, 2023

Issue: New Funding for FESBC Received in FY 23/24

Response:

- The Forest Enhancement Society of BC is a proven partner in delivering projects on the ground that benefit communities, workers, and the health of the forests.
- The \$50 million investment from the province will fund projects that increase the use of low-value or residual fibre left on site after logging that would otherwise be burned.
- This increased utilization will help the forest sector across the province through this period of declining timber supply resulting from Mountain Pine Beetle.
- The new funding will also support projects to mitigate wildfires risks, protect communities and B.C.'s forests, as well as reduce greenhouse gas emissions.

Background/Status:

- The Forest Enhancement Society of BC (FESBC) was formed in 2016 under the *Societies Act*. It has received \$263 million from government to fund projects to advance and advocate for the environmental and resource stewardship of forests in British Columbia.
- As of January 31, 2023, FESBC has allocated \$260 million of provincial investments to support funding 305 projects that contribute to the province's key goals of environmental sustainability, economic activities, and reconciliation.
- FESBC has achieved high Indigenous participation. About 30% of their projects were led by Indigenous companies or had significant Indigenous involvement.
- FESBC funded projects have created over 2,100 full-time-equivalent jobs (direct, indirect, and induced), and enabled about 120 communities to reduce wildfires risks.
- Of the \$50 million in new funding, \$25 million will be from Ministry of Forests base budget and \$25 million will come from contingencies.

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Ministry: Forests
Minister Responsible: Bruce Ralston

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2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Future Forest Ecosystems Centre

Revised: March 07, 2023

Issue: Implementation update on the creation of the Future Forest Ecosystems Centre

Response:

- The Future Forest Ecosystems Centre (FFEC) has been established by the Ministry of Forests within the Office of the Chief Forester (OCF) Division .
- The FFEC uses a new scientific team that forecasts climate change impacts to BC's forest ecosystems and was funded through the provincial Climate Preparedness and Adaptation Strategy (CPAS).
- The Centre's primary focus is on decision support: data, tools, and guidance that help ecosystem managers and practitioners account for climate risks in all forest management activities.
- Responding to the climate crisis is an urgent priority in British Columbia's landscapes. Understanding how climatic disruption will affect ecosystems is essential to this response. However, many ecosystem practitioners, planners, and policymakers lack the capacity to translate climate change projections into information that is useful for their decisions.
- This translation of information is the key outcome of the FFEC.

Background/Status:

- The need for an "Ecosystem Forecast Centre" emerged in 2020 during the development of the Office of the Chief Forester Climate Action Plan. The OCF expanded this concept as part of the Climate Preparedness and Adaptation Strategy in 2021. In 2022, the name "Future Forest Ecosystems Centre" was adopted to reflect the scope of influence of the OCF.

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- Decision support is the core purpose of the FFEC. FFEC decision support projects are large, multi-faceted programs with many synergistic components and include collaboration with end users, research to fill gaps in knowledge and data, synthesis of multiple lines of evidence, and extension of tools, datasets, and guidance.
 - Decision support activities include developing climate change outlooks for tree species, fostering capacity in ecological forecasting, and supporting the integration of climate change risks into land use planning (eg. Forest Landscape Planning, Modernized Land Use Planning).
 - Advice/Recommendations; Cabinet Confidences; Government Financial Information
-
- In the current fiscal year (2022/23) roughly 15 research and monitoring projects worth more than \$800,000 are being supported.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Glyphosate Use in B.C.

Revised: March 10, 2023

Issue: Public and First Nations opposition to the use of herbicides for vegetation management in BCs forests.

Response:

- Glyphosate is an herbicide used to support provincial reforestation efforts by controlling brush and other competing vegetation. Foresters use a variety of approaches to manage competing vegetation to achieve “free growing” including manual brushing, mechanical site preparation, prescribed burning, herbicides and biological treatments.
- Glyphosate, as with all herbicides used in Canada, is regulated and registered by Health Canada’s Pest Management Regulatory Agency (PMRA).
- PMRA reconfirmed registration for glyphosate in 2017, stating that “products containing glyphosate do not present risks of concern to human health or the environment when used according to the revised label directions.”
- PMRA reconfirmed their decision in 2019, based on an expanded evaluation of their 2017 decision.
- Glyphosate use must comply with B.C.’s *Integrated Pest Management Act* (IPMA) which states steps that must be taken to minimize impacts on the environment, including fish-bearing streams.
- Achieving biodiversity and ecosystem resilience are key objectives of this government and are considered whenever glyphosate use is proposed.

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- Glyphosate is not widely used, with application declining by over 800% since 2018. (if asked only 1715ha sprayed in 2022)
- Based on current and ongoing research, Ministry of Forests guidance allows for increased stocking levels of broadleaf trees on appropriate sites in managed stands, reducing the need for herbicide treatments.

Background/Status:

- Under the B.C. IPMA and Regulation (IPMR), use of glyphosate products in forestry for vegetation and invasive plant control, requires authorization by way of registering a Pest Management Plan (PMP).
- Registering a PMP requires First Nations and public consultation.
- The IPMR contains environmental and health protection requirements such as setbacks from sensitive areas (e.g., wetlands) as well as public notification requirements.
- In 2019, in response to public concerns about glyphosate use, FLNRO commissioned an independent assessment of peer reviewed forest science related to glyphosate use and are continuing to closely monitor vegetation management in forestry.
- Ministry of Forests, in conjunction with UNBC, has carried out a two-year study in the Omineca area to look at glyphosate residues and the impacts of herbicide spraying on moose habitat and nutritional quality of moose forage. Recently released reports have provided new information on extended length of detection in plant tissue and residues in browse, which will require further consideration.
- The previous 5 years of available data for herbicide treatment in BC's forests:
 - 2018: 13,896 ha
 - 2019: 3,419 ha
 - 2020: 1,063 ha
 - 2021: 4,806 ha
 - 2022: 1,715 ha
- Field studies have shown that the effects of glyphosate on the environment are minimal when the herbicide is applied according to the product's health and safety directions; and species richness and diversity of plant communities, small and large mammals, songbirds, and invertebrates, remain within the range of natural variation.

Contact:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Land Based Investment Strategy and Funding Overview

Revised: March 6, 2023

Issue: Overview of the Land Based Investment Strategy investment categories and proposed funding in 2023-24

Response:

- Land Based Investment Strategy (LBIS) activities focus on the stewardship objectives of the province, supporting sustainable natural resources and the values important to British Columbians.
- LBIS goals include:
 - Maintaining and enhancing natural resource values;
 - Mitigating impacts from catastrophic disturbances; and
 - Supporting government stewardship priorities.
- LBIS is administered by the Office of the Chief Forester with funds going to support activities in the Ministry of Forests, the Ministry of Water, Land and Resource Stewardship and the Ministry of Environment and Climate Change Strategy.
- Advice/Recommendations; Government Financial Information

Background/Status:

- LBIS focuses on improving the sustainability of natural resources, along with the industries dependent upon those resources.
- LBIS is annually allocated and is organized into investment categories.
- LBIS funding can only be used to support government activities in its role as the land manager. LBIS funding cannot be used to offset any stakeholder or licensee obligations.
- LBIS investment leads coordinate cross-ministry planning on the direction of funds to specific projects with allocation criteria reviewed annually.
- Continuous improvement in LBIS is happening in the areas of financial and performance reporting, funding criteria and administration.

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- Proposed 2023/24 funding levels for investment categories is the same as 2022/23.
 - LBIS goals:
 - All LBIS investments must be consistent with ministry priorities.
 - LBIS directs funding to the highest stewardship priorities, as identified by robust funding criteria, among a broad range of potential investment options.
 - LBIS-funded projects actively manage natural resources to maintain and enhance their value.
 - LBIS-funded projects mitigate impacts from catastrophic disturbances to economic, social and environmental values.

Advice/Recommendations; Government Financial Information

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston
Advice/Recommendations; Government Financial Information

Contact:

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ADM - Office of the Chief Forester

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Minimize Biodiversity Risk and Manage for Ecosystem Health
Revised: March 8, 2023

Issue: Prioritizing ecosystem health and biodiversity as part of modernizing B.C.'s forest sector

Response:

- B.C. has the greatest diversity of species, ecosystems, and habitats of any province or territory in Canada. This variety provides important environmental, social, cultural, and economic benefits to the Province and its residents.
- Under Recommendation #2 of the Old Growth Strategic Review, the Ministry of Water, Land and Resource Stewardship is leading the co-development of a **B.C. Biodiversity and Ecosystem Health Framework** (formally the “Ecosystem Health Declaration) with First Nations. This framework will support the Province’s work to protect 30% of its land base by 2030.
- The Ministry of Forests is committed to a new integrated approach to forest management that will promote ecosystem resiliency, health and biodiversity. Initiatives to modernize B.C.’s forest sector, such as creating the BCTS Value Added category and Forest Landscape Planning, are already underway.
- These initiatives will foster innovative forest management activities that will provide sustainable economic benefits while conserving wild spaces and strengthening the resiliency of B.C.’s forests to climate change.

Background/Status:

- B.C.’s ecosystems and biodiversity are facing an unprecedented and accelerating challenge due to climate change.

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- Climate change impacts on forest ecosystems include more frequent and severe wildfires and the effects of insects such as the mountain pine beetle, Douglas Fir and Spruce beetle.
- In response, the Ministry is developing a new vision for forest management that prioritizes ecosystem resiliency, health and biodiversity. Initiatives to modernize B.C.'s forest sector include:
 - Partnering with First Nations
 - The Ministry recognizes and honours First Nations' rights and title on their traditional territories and continues to implement the United Nations Declaration on the Rights of Indigenous Peoples through the application of the *Declaration Act*.
 - The Ministry continually seeks opportunities to partner with First Nation communities to ensure forest management practices benefit from Indigenous stewardship, values and knowledge.
 - Old Growth Strategic Review
 - Government is committed to implementing the recommendations in the Old Growth Strategic Review. This includes prioritizing ecosystem health and biodiversity within the provincial land management framework.
 - The Province is working in partnership with First Nations rights and title holders to defer logging of old growth as a temporary measure to prevent biodiversity loss while the Province, First Nations and stakeholders develop an action plan to implement the recommendations from the Old Growth Strategic Review.
 - Forest Landscape Planning
 - Forest Landscape Plans establish legal direction for forestry practices and establish clear objectives for the long-term management of ecosystem health, biodiversity, climate change, and wildfire risk.
 - Forest Landscape Plans are developed in partnership with First Nations and with the full engagement of local governments and stakeholders to better incorporate local knowledge and values into sustainable forest management.

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2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Near Elimination of Slash Pile Burning By 2030

Revised: March 10, 2023

Issue: Ministry actions to reduce slash pile burning by improving utilization

Response:

- The Ministry of Forests has implemented a number of initiatives to increase fibre utilization and reduce slash burning.
- Waste levels after logging have declined significantly from 2017 to 2022:
 - On the Coast: From 123 m³/ha to 70 m³/ha
 - In the Interior: From 38 m³/ha to 29 m³/ha

Background/Status:

- Slash pile burning is typically the lowest-cost option for licensees to meet hazard abatement obligations under the *Wildfire Act*.
- In the Clean BC Pathway to 2030, Government has committed to working towards near elimination of slash pile burning by 2030.
- Minimizing the burning of slash piles remaining after timber harvesting is also a key policy action in the Intentions Paper (#16b) to increase fibre access for value-added domestic manufacturers.
- The Timber Pricing Branch has implemented pricing policies that provide cost efficiencies promoting better utilization and reduced slash pile burning by:
 - Not requiring waste surveys when the total volume removed from an area is comparable to the timber volume estimated pre-logging.
 - Reducing scaling costs by allowing an alternate method of scaling for low quality fibre going to secondary manufacturing facilities.
 - Updating timber cruising, pricing, and waste survey policies to encourage salvage logging in wildfire or spruce beetle impacted stands.
 - Charging triple the waste fees within the Fibre Recovery Zone on the coast where residual fibre can be used economically.
- BC Timber Sales is piloting a utilization incentive-based approach to auction Timber Sales Licences. Licence holders not able to meet certain utilization level must fulfill contractual terms that will facilitate auction of residual fibre left after logging to reduce slash pile burning.
- The Office of the Chief Forester is developing Best Management Practices for the planning, logging and silviculture phases to reduce slash pile burning:
 - Identify potential bioenergy options during the planning phase;

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Advice to the Minister

Ministry: Forests
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- Promote the use of partial cutting;
 - Scatter woody material and fine fuels within the block;
 - Create windrows or individual small piles for small mammal habitat and biodiversity;
 - Pile slash in a manner that facilitates biomass extraction.
- The Office of the Chief Forester is actively supporting research that uses residual fibre to develop new bioproducts. For example, a biodegradable cellulose film that can replace plastics and biofoam alternatives to styrofoam have recently been developed at UBC.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: New Silviculture Innovation Program

Revised: New note, March 8, 2023

Issue: Creation of the Silviculture Innovation Program (SIP) in partnership with Bulkley Valley Centre for Natural Resources Research (\$10 million over 5 years)

Response:

- The new Silviculture Innovation Program will support new research and innovative practices that better address forest resiliency, ecosystem health and climate adaptation.
- The Bulkley Valley Centre for Natural Resources Research and Management (BVRC), a world-class research institute based in Smithers, will manage the \$10-million program. It is expected to be up and running in fall 2023.
- This investment directly responds to the recommendation of the Old Growth Strategic Review to create a Silviculture Innovation Program aimed at developing harvesting alternatives to clearcutting that maintain old forest values.
- Innovative operational silvicultural research projects will address forest resilience, ecosystem adaptation, and sustainable forest management in the face of climate change.
- Projects will be co-developed with sector professionals, First Nations and communities and will strive to encompass Indigenous knowledge.

Background/Status:

- The Silviculture Innovation Program will expand existing research trials at the landscape level to inform forest practices across BC and support Forest Landscape Planning implementation.
- These research trials will be transformed into operational opportunities that will benefit rural communities.

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Minister Responsible: Bruce Ralston

- The critical need for knowledge mobilization through extension has been identified by a variety of forest professionals across BC.
- The SIP will leverage existing research program structure within the Office of Chief Forester and Regions and an existing collaborative relationship with a non-profit research centre in BC.
- The BVRC has a track record of excellent research and extension that support operational questions in a variety of disciplines.
- Examples of silvicultural treatments research may focus on:
 - Management of hardwoods to make ecosystems more resilient.
 - Silviculture treatments to address forest health.
 - Treatments that promote old-growth stand characteristics.
 - Treatments that focus on restoration of wildlife and aquatic habitat.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Silviculture Investments in B.C.

Revised: March 21, 2023

Issue: Silviculture investments carried out by licensees and government programs to ensure our forest stewardship maintains a sustainable supply of timber and healthy ecosystems.

Response:

- The provincial silviculture program has planted an average of 254 million trees annually over the last ten years.
- Despite COVID-19 restrictions approximately 300 million trees were planted in 2020 and again in 2021 by licensees and government programs marking the two largest years ever for the province.
- Planting in the province is projected to remain well above the historic average as government partners with programs such as the federal 2 Billion Tree program. There were approximately 287 million trees planted in 2022. The target for 2023 was 303 million trees and 275 million trees in 2024.
- The quality of seedlings will continue to increase as investments are made in provincial seed orchards. An estimated 67% of the seedlings planted in 2022 originated from improved, orchard-grown seed.
- In 2022, government fertilized over 30,000 hectares of forest land, well over the 10-year historic average of 17,000 hectares. A similar investment program is also planned for 2023.
- Reforestation after harvest is required by law in B.C. and accounted for approximately 235 million trees in 2022.
- Government programs run by the Office of the Chief Forester and elsewhere planted an additional 52 million trees in 2022.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- Healthy, productive forests have been put at risk due to a changing climate and large-scale natural disturbances, such as wildfires and insect outbreaks:
 - over 10 million hectares of mature pine leading stands were impacted by mountain pine beetle from 2000-2015
 - over 3 million hectares of forest burned between 2017 and 2021 with 1.5 million hectares inside the Timber Harvesting Landbase including almost 200,000 hectares that are licensee accountability to reforest
 - spruce bark beetle, Douglas fir bark beetle, hemlock looper moth and tussock moth are all examples of other forest health agents currently impacting timber supply and carbon storage

The Ministry's Response to these Challenges

- The Minister's mandate letter commits to "Making sure healthy forests are here for generations and reducing the effects of climate change by planting over half a billion trees in 2021 and 2022." as well as to "Accelerate the transition of our forestry sector from high-volume to high value production"
- From 2017-2024, the province partnered with the federal government through the Low Carbon Economy Leadership Fund. The incremental reforestation and fertilization will result in a greenhouse gas benefit of 7.5 million tonnes CO₂ e by 2050. As this program winds down the new 2 Billion Tree program will provide federal funding to maintain a similar sized investment to add to the provincial program. The province has also committed 5 million dollars from the CleanBC fund for fertilization to meet 2030 emissions targets for the province.
- There is increasing interest from 3rd party proponents to plant trees in BC with the help of federal 2BT.
- Provincial silviculture investments continue to respond to these challenges through focusing on four main program areas:
 - Regular harvesting commitments and increasing salvage and utilization of low value and damaged timber while clearing sites for reforestation.
 - Prompt reforestation with climate adapted species to establish resilient, healthy forests.
 - Stand enhancement activities in healthy forests to improve resilience and timber values.
 - Manage forest carbon by reducing wildfires and slash pile burning while increasing carbon sequestration through planting and fertilizing.

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2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Spruce Beetle in the North Area

Revised: March 7, 2023

Issue: Spruce beetle outbreak in the North Area

Response:

- Spruce beetles are endemic forest insects with periodic outbreaks. The current outbreak continues to be a major source of risk for the mid-term timber supply in and around Mackenzie and Prince George.
- Ministry of Forests (FOR) is collaborating with communities and industry to mitigate the impact of the spruce beetle. This is largely achieved by directing licensee harvesting, where feasible, into the most impacted areas. After seven years, the tree's economic value declines.
- Licensee operational plans are annually updated with new FOR monitoring data to show areas of harvest and retention within the spruce beetle infestation areas.

Additional Response points (if needed):

- FOR staff will continue to engage First Nations and communities through existing working groups and initiatives to ensure operational plans are communicated.
- The timber market pricing system accounts for spruce beetle volume (cruise data collection) and value reductions (stumpage calculations) resulting from spruce beetle.

Background:

- In October 2015, a spruce beetle outbreak was declared in Omineca region. This is the largest recorded spruce beetle outbreak for the province (3.1 million hectares (ha) since 2014). This outbreak was exacerbated by milder winters, longer growing seasons, and large areas of susceptible host trees.

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Ministry: Forests
Minister Responsible: Bruce Ralston

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Wood Pellets

Revised: March 9, 2023

Issue: Wood Pellets: Feedstock and Green House Gas (GHG) impacts from producing and using wood pellets for energy

Response:

- The vast majority of fibre used by wood pellet facilities comes from utilizing milling residuals, wood waste and logs that are unsuitable for mills, including those damaged by pine beetles and wildfires.
- The carbon benefits of burning pellets for energy depend on the source and type of material used to produce the pellets. The vast majority of pellets in BC comes from wood that would have burned or decayed.
- As a result, utilization has improved and the amount of harvest waste has reduced from an average of 40 cubic metres down to 25 cubic metres of waste, per hectare.
- In addition, reducing the amount of waste left on the ground reduces wildfire risk and has positive climate benefits.
- Wood pellet plants have been increasing production across the province over the last decade, and as of 2022, the 13 wood pellet processing facilities in BC have an estimated combined full capacity of 2.5 million tonnes per year.

If pressed on the issue of using merchantable logs for pellets:

- Not all harvested logs are suitable to be used in sawmills, for example, where they have been damaged by insects, mechanical processing, or wildfire. Some pellet mills in BC do use low-quality logs for a small portion of their inputs, but these logs accounted for less than 1% of the total provincial

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harvest over the five years leading up to 2020 (our most recent data). These logs do not meet size or sawlog specifications and are often lower quality than pulp logs.

- It would not be economic for any pellet company to use saw logs to produce pellets. In 2022, pellet mills paid up to \$35 per cubic metre for fibre sourced from residual harvesting piles. An interior sawlog was valued at about \$149 per cubic meter at a lumber facility (as of November 2022) and pulp logs are valued at \$50 per cubic metre. To get the most revenue for each grade of log, these logs would be sold or traded to mills willing to pay a higher price.

Background/Status:

- Media reports claim that whole trees are being logged to produce pellets, a product ultimately burned for energy. Data collected by the Ministry's Major Timber Processing Facilities Survey shows that wood pellets in B.C. are made almost entirely from waste fibre: from 2016 to 2020, over 90% of the industry's inputs have come from sawdust and shavings, chips and harvest residuals.
- B.C. is an important source of bioenergy for other countries still transitioning away from coal-fired electricity. Most of B.C.'s wood pellets are exported. In 2021, 46% of B.C.'s pellet exports went to Japan, 35% to the United Kingdom, 11% to South Korea and 8% to other countries.
- B.C. is viewed as having good fibre supply for pellets due to the high number of sawmills in the province and the residuals they produce. B.C. has been steadily implementing policy and regulations to encourage increased utilization from both harvest residuals and milling residuals, further increasing fibre availability.
- Wood pellets consumed in bioenergy facilities burn at a much higher combustion efficiency than burning wood in slash piles, which avoids the emission of more harmful GHG emissions such as methane and nitrous oxide, and reduces smoke.
- Bioenergy pellets produced by logging green trees do not produce a carbon benefit, because carbon from the green tree which would otherwise be stored is quickly released into the atmosphere. It takes decades for the equivalent amount of carbon to be recaptured through reforestation.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Improving the Forest and Range Practices Act

Revised: March 7, 2023

Issue: Bill 23 improvements to FRPA enable the new Forest Landscape Planning Framework and shared decision-making with Indigenous Nations

Response:

- The Ministry is committed to improving the *Forest and Range Practices Act* (FRPA) framework. By passing the *Forest Statutes Amendment Act, 2021* (Bill 23), the Ministry has introduced transformative changes which feature the new Forest Landscape Planning framework.
- Bill 23 was developed through extensive engagement and consultation with Indigenous peoples and input from communities, stakeholders and the public.
- The changes in Bill 23 support Government's commitment to reconciliation and begin to align the forestry framework with the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act). Amendments in Bill 23 were the first to enable the implementation of decision-making agreements negotiated under section 7 of the *Declaration Act* for key decisions.
- In addition to shared decision-making, Bill 23 enables increased opportunities for participation in forest planning by stakeholders and communities; achieves greater government oversight of forest management to protect public safety, the environment and natural resources; and ensures that land managers have the right tools to establish resilient forests and rangelands when faced with the uncertain impacts of climate change upon these ecosystems.

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● Advice/Recommendations; Cabinet Confidences

- FRPA is the foundation of the province's world-renowned sustainable forest management regime. It is important to take the time to address the many interests of those who will be impacted by changes to FRPA. We are committed to taking the time to get it right.

Background/Status

- There are two phases of the FRPA improvement initiative:
 - Incremental changes were introduced in the *Forest and Range Practices Amendment Act, 2019* (Bill 21).
 - Transformative changes that feature the new Forest Landscape Planning (FLP) regime were introduced in Bill 23 in 2021.
- Work is currently underway to develop the regulations that are required to bring the new provisions into force.
- There are four (4) Forest Landscape Planning pilot projects underway across the province that are intended to inform further policy development and new approaches to collaboration and shared decision-making with Indigenous Nations. The four pilots are situated in the following timber management units: Sunshine Coast, Quesnel, Lakes (east of Houston), and Tree Farm Licence 37 on Northern Vancouver Island.
- In February 2023, government committed \$25 million dollars to support the develop of eight new Forest Landscape Plans over the next three years in partnership with Indigenous Nations.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Representation of Forage Values and Range Tenure Holder Interests in FRPA

Revised: March 9, 2023

Issue: Range Tenure Holder concerns that recent FRPA amendments do not improve management of forage values or address their interests

Response:

- “Forage and associated plant communities” is one of the 11 values identified and managed under the *Forest and Range Practices Act* (FRPA).
- The changes to FRPA introduced with Bill 21 (2019) and Bill 23 (2021) will benefit range tenure holders by supporting better management of forage values and by addressing some of the BC Cattlemen’s long-standing concerns about forestry impacts on range use.
- The new Forest Landscape Planning framework, introduced in Bill 23, will integrate strategies for managing forage values and range interests into direction for where and how forest harvesting, road building and other forest investment can occur.
- Bill 21 has also introduced changes that will improve the management of natural range barriers – a long standing concern for range tenure holders – and regulations are under development to implement these changes.

Background/Status:

Forage and the *Forest and Range Practices Act*:

- Forage is vegetation consumed by livestock or wildlife and is produced in forests and grasslands (rangelands). About 80 percent of rangeland in BC is on Crown land. The rest is privately owned.
- BC's private and Crown rangelands span the province and encompass ecosystems including alpine, subalpine, community pastures, forestlands (logged or not),

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grasslands, parklands, shrub lands, riparian areas (wetlands and rivers). These forage areas present unique management challenges.

- The *Forest and Range Practices Act* (FRPA) was established in 2004 and contains a number of provisions to manage for forage values, including the requirement for licensees to specify strategies mitigate impacts on natural range barriers and prevent spread of invasive plants in their Forest Stewardship Plans (FSPs).
- In their 2015 special report titled “*Forest Stewardship Plans: Are They Meeting Expectations?*”, the Forest Practices Board (FPB) highlighted concern around the lack of measurable and verifiable strategies for a number of values, including natural range barriers and invasive plants.

FRPA improvements phase one:

- Bill 21 (spring 2019) Bill 21 was intended to bring forward initial changes to improve government oversight of the forest sector and the public’s access to information within the current forest stewardship planning regime.
- The BC Cattlemen’s Association (BCCA) were supportive of the changes brought forward in Bill 21 – in particular the changes increasing the obligation on forest tenure holders to manage for invasive plants and natural range barriers.

FRPA improvements phase two:

- The most significant opportunity in Bill 23 is the new Forest Landscape Planning (FLP) regime and the associated Forest Operations Plan (FOP). This new regime will support managing for range tenure holder interests at a landscape level early in the planning process, rather than the Forest Stewardship Plan regime where involvement is limited and is at a block-by-block level.
- One of the five legal overarching objectives for FLPs is local community values, including range values and interests. Range tenure holders will be represented in the FLP regime and will participate in the process.
- The FLPs will provide direction for forest management activities including where and how harvesting, road building, reforestation and even prescribed burning will occur and can incorporate forage management strategies.
- During the committee debate in the fall of 2021, the opposition proposed an amendment to Bill 23 to add “forage production as an additional Forest Landscape Planning objective” to Section 2.22. The concern was that forage values would not be adequately managed under the new Forest Landscape Planning framework without this addition. The motion was defeated.
- Other proposed changes in Bill 23 will improve the ability to manage for forage values and address range tenure holder interests, including new authorities for stocking standards and road management.

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Economic State of the Forest Sector 2022 Review

Revised: March 7, 2023

Issue: Economic State of the Forest Sector 2022 Overview

Response:

- The forest sector plays a key role in British Columbia (B.C.)'s economy, with initial employment estimates indicating it supported more than 48,000 direct jobs in 2022, and generated \$1.9 billion in government revenues in 2022/23¹ and \$5.88 billion in gross domestic product (GDP) in 2021.
- The sector is export-oriented, with \$15.6 billion of forest products being exported in 2022, representing 24% of B.C.'s total commodity export value.
- The United States (U.S.) remains the largest market for B.C.'s forest products, followed by China² and Japan.
- Softwood lumber is the dominant forest product in B.C. Supply and demand disruptions led to high lumber prices for several years, but higher interest rates and other economic disruptions lowered lumber prices in 2022.
- In 2022, the demand for lumber in the U.S. and China decreased, resulting in lower lumber exports to both countries compared to 2021.
- Pulp remains the dominant forest product in B.C.'s exports to China. Pulp prices remain strong in 2023.

Background/Status:

- **In 2021, B.C.'s forest sector GDP³** was \$5.88 billion, up 4% from 2020. Of the forest sector GDP, forestry and logging was \$1.56 billion (down 3%), support activities for forestry was \$748 million (up 10%), wood product manufacturing was \$2.58 billion (up 10%), and paper manufacturing was \$991 million (up 9%).

¹ Government revenue for 2022/23 is an estimate at the time of drafting this note.

² The information reported in this note for China includes Mainland China and Hong Kong.

³ GDP is in chained 2012 dollars as reported in this note. There is typically a one-year lag in the GDP figure released by Statistics Canada.

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- **Forest sector employment**⁴ in B.C. was 47,533 in 2022, down 0.2% from 47,640 in 2021. This is an early estimate which excludes self-employed, and so likely represents a lower bound for employment. The forest sector represented 12% of goods sector employment and 2% of all industry employment in B.C.
- **Total harvest volume** in 2022 was 47.6 million m³, including private and Crown lands, down 10% from 2021. Log prices⁵ increased by 22% in the Interior and 18% on the Coast in 2022 compared to 2021.
- **Forest sector manufacturing sales**⁶ were \$19.8 billion in 2022, down 4% from 2021, and accounted for 29% of B.C.'s manufacturing sales.
- **Softwood lumber** is B.C.'s dominant forest product. In 2022, B.C. produced 7.9 billion board feet (19 million m³) of it, down 15% from 2021. Most of B.C.'s production is located in the Interior (88%). Lumber exports in 2022 totaled \$7.3 billion, down 18% from 2021, and lumber export volume was down 13%.
- Average **commodity prices** were high compared to historic levels throughout 2022 but trended downwards. The price of Western SPF 2x4 averaged US\$814 per thousand board feet in 2022. Northern Bleached Softwood Kraft (NBSK) pulp prices to China averaged US\$931 per tonne and were more stable than other forest products.
- **The U.S.** was the largest export market for B.C. forest products, accounting for 61% of total value. Softwood lumber accounted for 59% of export value to the U.S. The total export value decreased by 4% in 2022 compared to 2021. Housing starts in the U.S. were 1.55 million units in 2022, down 3% from 2021.
- **China** was the second largest export market for B.C. forest products, accounting for 18% of the total export value. Forest products exports to China declined 11% in 2022 compared to 2021 due to the weaker demand from both the construction and the wood processing sectors. Pulp accounted for the largest share of exports to China at 76%, followed by lumber (12%) and logs (8%).
- **Japan** was the third largest market for B.C.'s forest product exports, accounting for 9% of the total export value. The total export value to Japan decreased by 5%, from \$1.5 billion in 2021 to \$1.4 billion in 2022.
- **The Russia-Ukraine war** was expected to disrupt wood markets significantly, but a global decline in wood product demand seems to have mitigated impacts.

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⁴ SEPH employment data is a highly accurate source of data based on company payrolls. It excludes the self-employed and family workers without a payroll. It is usually considered a lower bound on employment.

⁵ Log prices in this note refer to the weighted average of interior and coastal log prices.

⁶ Forest sector manufacturing sales exclude data for converted paper product manufacturing, which was suppressed in 2022 to meet the confidentiality requirements of the *Statistics Act*. Converted paper product manufacturing sales were approximately \$0.49 million in 2021.

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: The Pulp & Paper Industry
Revised Date: March 7, 2023

Issue: The Pulp & Paper Sector is critical to the strength of the forestry sector.

Response:

- The B.C. pulp & paper sector is an integral part of the forest sector supply chain and supports families and rural communities across the Province - sawmills rely on pulp firms buying wood chips to maintain their operations, the operation of pulp mills and the family-supporting incomes of union workers help stabilize the economies of many rural communities across the Province.
- Increasing fibre utilization is a priority for the B.C. government and is part of the Modernizing Forest Policy - Intentions Paper and Clean BC.
- The pulp sector is increasing the use of residual fibre from logging to produce pulp used to manufacture products designed to replace single-use plastic.
- The Ministry of Forests, working with pulp companies, created the Pulp Fibre Supply Task Force. Over the last 12 months, the Task Force has developed a range of policy tools that support pulp mills' access to residual fibre now and into the future.
- This government is taking action to implement a key Task Force recommendation by providing \$50 million in funding to the Forest Enhancement Society of BC (FESBC), which will increase the utilization of both residual fibre and burnt timber.

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Background/Status:

- This government continues to support the pulp sector by renewing FESBC funding by \$50 million over two years to utilize 2.2 million cubic metres of uneconomical low-value or residual fibre.
- We provided \$21.3 million from CleanBC to the sector.
- The BC government supplied \$180 million in funding for the BC Manufacturing Jobs Fund for forestry companies that require equipment to support new product lines.
- The government provided \$4.5 million to help restart Crofton's paper machine #2 in January 2023.
- New Wildfire Salvage Opportunity Agreements will enable the timely direct award of forestry licences to First Nations for salvaging timber damaged by wildfire as recommended by the Pulp & Paper Coalition.
- The Ministry developed policies to reduce waste, for example, a new waste measurement system, alternate methods of scale for secondary users, and a Fibre Recovery Zone on the Coast.
- List of closures and curtailments due to the lack of fibre: The pulp line at Prince George Pulp & Paper in April 2023; Powell River in 2021; Taylor in 2022; Crofton paper machine #3 in December 2022; Cariboo Pulp & Paper and Mercer for 60 and 10 days in 2023. Kamloops, Nanaimo and Port Alberni are at risk of curtailment this year.
- The pulp sector processes over 40% of the BC timber harvest. After mill closures, the sector consumes 20 million cubic metres of woodchips per year, 75% of which come from sawmills.
- BC pulp and paper mills provide 4,400 direct jobs.
- The estimated shortfall for the pulp sector is three million cubic metres in the \$50/m³ economic zone for pulp operations.

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Global Competitiveness of the B.C. Forest Sector
Revised: March 9, 2023

Issue: Global Competitiveness

Response:

- B.C.'s forest sector remains the largest lumber producer in Canada. In 2022, the sector provided jobs to over 48,000 people in communities in every corner of British Columbia.
- Our vision for the forest sector will build certainty for industry and ensure benefits are shared more fairly with workers and communities, and recognizes First Nations rights and title holders as partners in managing our forests.
- We are protecting and supporting workers and communities affected by old growth deferrals.
- We are creating secure jobs through innovation and made-in-B.C. wood products so communities can thrive for generations to come.
- Forest manufacturing investment in B.C. was \$1.1 billion in 2020, up 14% compared to 2019 (2020 is the latest data).
- Lumber and panel producers benefited from high prices at the beginning of the year, but prices have declined since then. Pulp prices remain high.

Background/Status:

Company Earnings

- B.C. headquartered companies struggled in Q4 2022 but had strong returns for 2022 as a whole.

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Government Financial Information

Lumber Mills

- Lumber prices were near all time highs at the beginning of 2022, with Western Spruce-Pine-Fir 2x4 #2 & Better reaching US\$1,400 per thousand board feet in March. But after March the price steadily declined, falling below US\$400 per thousand board feet in December, and has averaged about US\$400 in 2023.
- The price forecasts from private sector analysts¹ for Western Spruce-Pine-Fir 2x4 #2 & Better lumber range from US\$400-\$500 per thousand board feet for 2023.
- According to Forest Economic Advisors' (FEA) quarterly forecast released in February, out of the six North America regions they cover, the B.C. Interior was the highest cost producer in 2022. FEA forecasts that this will continue in 2023, and that average lumber selling price will be below average cost.
- There is no recent cost data for the B.C. Coast, but as of a few years ago, the B.C. Coast was one of the highest cost producers globally, although it also had higher than average revenue per thousand board feet.

Pulp Mills

- The main market for B.C.'s Northern Bleached Softwood Kraft (NBSK) pulp is China. The market price as of early March was US\$910 per tonne in China,.
- Of the ten North American regions producing Bleached Softwood Kraft and covered by FastMarkets RISI's cost data, the B.C. Coast had the third highest costs in Q3 2022, while the Interior was in the middle at fifth highest. These costs include delivery costs to China, the primary market for B.C. market pulp.

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¹ The analysts are from Royal Bank of Canada (RBC), Forest Economic Advisors (FEA), and Equity Research Associates (ERA).

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Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Old Growth Management & Deferrals Impact

Revised: March 5, 2023

Issue: BCTS Old Growth Management and Deferrals Impact

Response:

- BC Timber Sales (BCTS) acknowledges both the considerable interests and values associated with old growth forests.
- Consistent with BCTS' overarching principle of sustainable forest management, BCTS staff undertake a variety of actions to manage, recruit, and conserve old growth forests and values across its operating areas.
- Old growth forests comprise a significant portion of the volume that BCTS is reliant upon for its short and mid-term timber supply.
- BCTS is working collaboratively with its Ministry and Indigenous counterparts to implement all recommendations of the Old Growth Strategic Review, including deferrals of harvest within old growth ecosystems considered to be at very high risk.
- Consistent with provincial direction, BCTS temporarily paused issuance of licences overlapping with priority old growth deferral areas identified by the Technical Advisory Panel (TAP) where First Nations have indicated support for the TAP deferral.
- Where First Nations do not support TAP deferrals, BCTS has been working with First Nations to ensure its development in old growth forests is consistent with affected First Nations interests and land use plans.
- BCTS continues to adjust its plans to mitigate the impact to its timber sale auctions and meet customer needs.

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Background/Status:

- Old growth forests around the province are protected through a variety of legal designations and reserves at both the landscape level (e.g., parks, Old Growth Management Areas (OGMAs), Wildlife Habitat Areas) and the stand level (e.g., Riparian Reserve Zones, Wildlife Tree Retention Areas).
- Where OGMAs have not been spatially defined, BCTS and forest tenure holders must monitor and maintain non spatial targets for old growth consistent with provincial, or any higher-level plan Orders in effect for the management area in question. BCTS' strategies to comply with these Orders are outlined in its approved Forest Stewardship Plans (FSPs).
- BCTS has been voluntarily applying a best management practice (BMP) to protect exceptionally large old growth trees (aka Legacy Trees) in its coastal operations since 2017. To date over 276 Legacy Trees have been protected.
- The *Special Tree Protection Regulation*, introduced in September 2020 has resulted in protection of exceptionally large trees across a broader range of species on both coast and interior. To date, 20 specified trees have been protected by BCTS under this new regulation additional to Legacy Trees.
- Approximately 60% of provincial harvest (BCTS and non BCTS) is currently supported by old growth stands. Allowable Annual Cuts (AACs) determined by the provincial Chief Forester assume a staged transition from old growth to second growth over several decades in most management units.
- TAP old growth layers cover approximately 571,000 ha of BCTS' 9 million ha of operating area. This area is located both within FN territories that have said yes to TAP deferrals and within FN territories where the FNs consider that old growth is adequately managed through existing or ongoing processes.
- As a result of the November 2, 2021 announcement regarding old growth deferrals, approximately 2.7 million m³ of timber sales volume was removed from BCTS' sales plan for the 21/22 fiscal year. An estimated 3.4 million m³ are currently impacted on the 22/23 fiscal year sales plan.
- BCTS staff have been applying the Ministry's field verification process to confirm TAP attributes and, where feasible re-engineering cut blocks to exclude overlapping TAP areas. This will mitigate the impact of the TAP deferrals but will result in a delay to associated timber auctions and add to development costs.
- Subject to the availability of non constrained old forests or second growth forests, BCTS is shifting its timber development into alternative areas. However, it can take as long as two years to progress from initial planning to a ready to sell timber sale license.
- Increased application of partial harvesting is a key recommendation of the Old Growth Strategic Review. BCTS has some experience with partial harvesting and

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has recently formed a task team to facilitate expanded use of non clearcut harvesting systems.

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Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth, Carbon and Climate Change Mitigation

Revised: March 8, 2023

Issue: FN and ENGO demands for old growth conservation to meet climate action goals.

Response:

- Government is committed to implementing all 14 recommendations emerging from the Old Growth Strategic Review (OGSR). This report recognized the importance of carbon sequestration and storage in mitigating climate change.
- One of the key mechanisms for the ministry to advance implementation of is through our recent announcement of 8 new Forest Landscape Level (FLPs) plans. These FLPs will implement key aspects of the OGSR including old growth and carbon management, on the ground in partnership with First Nations and with local governments and stakeholders.
- Conserving old-growth forests as carbon sinks is a key strategy within the portfolio of the Province's climate change mitigation options for our forests. The Province's complementary strategies include incremental reforestation, fertilization, reduction of slash pile burning and use of more fibre in longer lived products.
- Carbon benefits can be derived as old growth or as part of a managed (harvested) forest depending on a number of factors including tree and understory growth rates, ecosystem type, the forest's resilience to future disturbances, harvest rotation, the use of harvested timber, and burning of residual fibre.
- The Province also uses forest carbon offsets which may be used to fund conservation activities desired by Indigenous

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leaders and organizations in alignment with the recommendations from the Old Growth Strategic Review (for more information, see Forest Carbon Offsets Estimates Note).

- Ministry of Forests, in partnership with First Nations and other stakeholders, is developing a decision support tool to help forest managers determine when and where to harvest or conserve for carbon.
- The Ministry has funded many ongoing research projects focused on protecting land and water in 2023-24:
 - empirical studies of key attributes and definitions of old forest by ecosystem to refine measures of old-growth carbon stocks on the landscape;
 - development of guidance on distribution of several stages of old forest (including ancient, old, and mature) to support carbon sequestration over large landscapes and time periods;
 - data collection and analysis of old forest function and carbon stocks after natural disturbances (such as fire).

Background/Status:

- Old-growth forests store large amounts of carbon in the live and dead (snags, logs) biomass above and below ground, the forest floor, and in mineral soil.
- Productive and long-lived old growth stands on the Coastal or in the Interior wet-belts store more carbon than forests elsewhere in B.C.; many of these ecosystems exist for long periods (sometimes thousands of years) without experiencing large disturbance events from wildfire, wind, pests, or disease.

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth Impacts on Small Area-Based Tenures

Revised: March 13, 2023

Issue: Old growth deferral impacts on woodlot licences, community forest agreements and First Nations woodland licences

Response:

- Our government is making progress on implementing recommendations from the Old Growth Strategic Review Panel in partnership with First Nations.
- The strategic review recognized small area-based tenures have unique characteristics. They are locally operated and play a key role in supporting rural economies for Indigenous and non-Indigenous communities.
- Government appreciates that these small area-based tenure holders take their sustainability and stewardship responsibilities seriously.
- We are aware of the potential impacts on these tenures from proposed old growth deferrals, given their relatively small size and geographical restrictions, and we have made policy adjustments that assist them in pivoting operations, while still meeting government's commitments with respect to old growth.
- We have directed woodlot licensees to protect ancient and remnant polygons while engagement with First Nations continues, and have provided some operational flexibility within the priority old growth big tree polygons.
- We have also provided a process for community forest agreement (CFA) holders and First Nations woodland licences (FNWLs) to develop their own old growth strategy that increases current old growth retention without jeopardizing their five-year cut control requirements.

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- The process requires CFA and FNWL holders to demonstrate that their cut control requirements cannot be achieved because of the proposed deferrals and that an alternative approach is warranted.

Background/Status:

- There are three principal types of small area-based tenures in B.C., which are: woodlot licences (WLs), community forest agreements (CFAs) and First Nations Woodland Licences (FNWLs).
- As part of the Old Growth Strategy, the Technical Advisory Panel (TAP) was tasked to work at provincial level, and it was outside their scope to factor in potential impacts at a small licence level.
- WLs are typically family-operated small businesses located adjacent to rural communities. WLs are exempted from all three types of the TAP priority deferrals under the principle that their management regime currently provides for old growth sustainability.
- The BC Community Forest Association, representing most CFAs, did not request any exemptions. They are monitoring outcomes of the First Nation consultation process, waiting for clarification on field validation procedures and have expressed a desire to work collaboratively to manage old growth. About 50% of CFAs involve a partnership with Indigenous communities.
- FNWLs do not have a formal association representing them, but are participating in government-to-government discussions on the deferrals that will determine their outcomes of how old growth is managed within their territory and the FNWL.
- Staff have not been made aware of any situations where WLs, CFAs or FNWLs are significantly impacted by TAP polygons as issues are being managed locally.

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Stumpage – Old Growth impacts on stumpage forecast

Revised: March 6, 2023

Issue: Old Growth impacts on Stumpage Forecast

Response:

- Forest revenue is expected to be \$846M in Fiscal 2023/24.
- Crown harvest volume is forecast to drop from 42.5 million cubic meters in 2021/22 to an estimated 38.0 million cubic meters in 2023/24.
- Original estimates for budget purposes assumed that 4.5 Mm³ of harvest reduction was potentially associated with old growth.
- As we continue to work through our process with First Nations that will fluctuate.
- Forest revenue is expected to decline 54% in 2023/24 due to the impacts of lower stumpage revenue and lower logging tax revenue (Down from \$1.41 B).
- The decline in forest revenue reflects the uncertain economic global situation and general consensus that economic activity is expected to slow.
- Lumber prices have fallen significantly since early 2022.
- Lumber prices have fallen from US\$ 1400/mfbm in March 2022, to under US\$ 400/mfbm by December 2022.
- The forecast assumes \$US 400/mfbm price of lumber for 2023 - Down from \$US 814/mfbm in 2022.
- For every +/- \$US 50/mfbm change in lumber prices (over a full year), there is a stumpage revenue change of approximately +/- C\$125 M.
- Harvest volumes have declined significantly over the past few years due to declines in annual allowable cut associated with

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pest epidemics, wildfires, species at risk protection and old growth deferrals.

- Forest revenue sharing to First Nations has increased to \$138M for Fiscal 2023/24.
- The provincial government continues to work towards a new fiscal agreement with First Nations

Background/Status:

- The recommended deferral areas identified by the Technical Advisory Panel cover 2.6 million hectares, roughly half of which falls within the Timber Harvesting Land Base.
- Government has committed to implementing deferrals where there is agreement with First Nations on the need for a temporary pause in harvesting activities.
- Engagement with First Nations is underway.
- As engagement with First Nations is ongoing, it is difficult to estimate what the actual AAC and harvest impact of the deferrals will be. A 50% estimate of long term permanent protection of old growth is very conservative.
- Timing of Harvest Reductions associated with old growth deferrals:
 - For BCTS, harvest volume reductions were immediately experienced, in addition to transitory reductions due to operational impacts associated with the deferral process.
 - For timber tenures, it is expected that full reduction impact will be realized in 2023/24.

Contact:

Melissa Sanderson	ADM	TRE	250-812-7253
Allan Bennett	TPB Director	TRE	778-974-2407

2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: TFL 46 – Old Growth and Fairy Creek

Revised: Marc 6, 2023

Issue: Government has suspended old growth harvesting for areas in the Fairy Creek Watershed and Central Walbran Watershed located in TFL 46.

Response:

- Tree farm licence (TFL) 46 is located on southern Vancouver Island
- In June 2021, the Province suspended old growth harvesting in the Fairy Creek Watershed and Central Walbran Valley through orders made under Part 13 of the *Forest Act*.
- Following the suspension of old growth harvesting in the two areas, the Chief Forester temporarily reduced the AAC for TFL 46.
- The order suspending harvesting in the Central Walbran Valley is set to expire on March 1, 2024 and will be renewed if necessary.
- The order suspending harvesting in the Fairy Creek Watershed is set to expire on June 8, 2023 and will be renewed if necessary.
- A timber supply review (TSR) is underway for TFL 46 and the chief forester will be setting a new allowable annual cut (AAC) for the TFL in March 2023.

Background/Status:

- TFL 46 is held by Teal Cedar Products Ltd. (Teal Cedar).
- The current AAC for TFL 46 is 381,009 cubic metres.

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- In June 2021 two Ministerial Orders were issued that suspended old growth harvesting in the Fairy Creek Watershed and Central Walbran Valley areas of the TFL.
- The intent of these orders was to provide protection for old growth forests within while permanent protection measures are developed with Indigenous Nations.
- The AAC attributed to these two areas in TFL 46 is 5,568 cubic metres, which is 1.5% of the current AAC for the TFL.
- Since old growth harvesting is suspended in the two areas, the chief forester has temporarily reduced the AAC for TFL 46 by 5,568 cubic metres.
- The order suspending harvesting in the Fairy Creek Watershed is set to expire on June 8, 2023, and the order suspending harvesting in the Central Walbran Valley is set to expire on March 1, 2024.
- A timber supply review (TSR) is underway for this TFL 46 and the chief forester will be setting a new allowable annual cut (AAC) in March 2023.
- There has been a substantial level of public comment received during the TSR with over 500 public submissions received by the Ministry and Teal Cedar.
- Concerns expressed by the public have primarily focused on species at risk (marbled murrelet and goshawk) and the protection of old-growth forests.
- These concerns coupled with other public comment and input from Indigenous Nations will be considered by the chief forester when an AAC determination is made in March 2023

Contact:
Shane Berg ADM Office of the Chief Forester 250 851-6333

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Carrier Sekani First Nations Pathways Forward Agreement

Revised: March 7, 2023

Issue: Carrier Sekani First Nations Tenure Negotiations and Pathway Forward Agreement

Response:

- Reconciliation with First Nations is integral to creating a resilient and strong forest economy.
- The Province's investment into the Pathways Forward Agreement with the Carrier Sekani First Nations (CSFN) navigates complex issues including addressing cumulative effects and Aboriginal rights and title interests in forestry.
- CSFN and the Province are partners in forestry.

Background/Status:

- Advice/Recommendations; Intergovernmental Communications

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Contact:

Mlie Hykaway ADM North Area Regional Operations 250-893-7516

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Dispositions (Transfers) of Crown Forest Tenures

Revised: March 10, 2023

Issue: Diversification of Forest tenure ownership

Response:

- Dispositions of Crown forest tenures occur as a result of requests to transfer individual agreements or as a result of a change of control in the holding of the tenure, when one company buys another.
- Crown timber belongs to the citizens of B.C. and has both a commercial and a public value. The required considerations of the marketing of fibre and the public interest have generated a deeper examination of requested transfers resulting in stronger community benefits, security of labour, and the development of unique First Nations partnerships.
- Over the past year, the ministry has completed 7 dispositions resulting from requests for the approval of a transfer. Four of those transfers have either retained or moved Crown forest tenures into the control of First Nations.
- We are currently processing 22 dispositions involving a total of approximately 2.2M m³.

Background/Status:

Advice/Recommendations; Government Financial Information; Intergovernmental Communications

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Advice/Recommendations; Government Financial Information; Intergovernmental Communications

Contact:

Matt Austin ADM Integrated Resource Operations Division 250-360-6317

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Grade 4 Credits

Revised: March 13, 2023

Issue: Sustainable use of Grade 4 crediting

Response:

- The government places a high priority on the sustainable management of the province's timber resources.
- Grade 4 credits were created in 2006 to incent harvest of mountain pine beetle (MPB), damaged pine that may otherwise not have been harvested. With the collapse of the MPB epidemic, this driver is now mostly gone.
- Grade 4 credits helped establish a more diverse secondary manufacturing sector through business relationships with major tenure holders.
- Elimination of the credit may result in log flow disruptions to some secondary processing facilities.
- The Ministry is closely monitoring the use of Grade 4 credits and will impose restrictions using Ministerial Orders on their use if it impacts sustainability.

Background/Status:

- Grade 4 is an interior-only log grade for low-quality logs that may be alive or dead, are usually included within the allowable annual cut, are cut control accountable and fully measured as part of waste.
- The Cut Control Regulation provides interior licensees with an automatic cut control credit when Grade 4 timber is delivered to a non-sawmill/veneer plant. Licensees can then harvest another similar or higher value log elsewhere.
- Use of Grade 4 credits has declined provincially, although some timber supply areas still have relatively high use levels. In the North Area, approximately 700,000 m³ in 2018 – primarily Canfor. In the South Area, approximately 200,000 m³ in 2018 – Celgar and Domtar.
- The largest use of Grade 4 credits is for the pulp/paper and chipping sectors.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Contact:

Matt Austin ADM - Integrated Resource Operations 250-360-6317

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Minister's Apportionment Process

Revised: March 15, 2023

Issue: Licence reductions may take place before apportionment

Response:

- This government places a high priority on the sustainable management of the province's timber resources.
- The Ministry is working with tenure holders to ensure that reduced fibre supplies are allocated fairly.
- An apportionment decision is direction from the minister on the allocation of the allowable annual cut (AAC) to different tenure categories. These decisions can be very complex and time consuming.
- In some timber supply areas (TSA) with sustainability risks, forest licence (FL) AAC can be reduced prior to an apportionment decision.
- The apportionment process can then be used for strategic discussions with affected First Nations and stakeholders to determine the long-term goals for the TSA AAC.

Background/Status:

- A minister's apportionment decision under Section 10 of the *Forest Act* has no direct impact on existing FL harvesting rights.
- A separate decision is required under Section 63 to affect existing FL harvesting rights where consideration is given to equally reducing all categories in the TSA.
- The minister may move directly to a Section 63 FL AAC reduction since an apportionment decision is not directly linked to Section 63.
- Apportionments may also set the vision for new opportunities to meet government objectives.
- Tree Farm Licences, First Nation Woodland Licences, Community Forest Agreements and Woodlots are all under separate management with their own individual AAC determination process.

Contact:

Matt Austin ADM - Integrated Resource Operations 250-360-6317

2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Northeast Range Program Tenure Holder Concerns

Revised: March 5, 2023.

Issue: Livestock producers in the Northeast region continue to express concerns regarding the future of existing and proposed tenures.

Response:

- The agriculture and livestock industries are key components of British Columbia's economy, are integral to contributing to a stable food supply within the province and are a priority for strengthening the province's rural economy.
- The Ministry is working through the commitments within recently signed agreements to collaboratively develop with Treaty 8 Nations a path for addressing range and other natural resource activities and authorizations.
- The Ministry is committed to working with First Nations and range tenure holders in a way that upholds Treaty rights and supports continuation of livestock grazing activities in the region.

Background/Status:

- The Peace District currently manages the largest Range program in the province consisting of 244 grazing licenses and 30 grazing leases that support approximately 113,500 Animal Unit Months of grazing across Northeast.
- Halfway River First Nation (HRFN) has significant concerns with livestock grazing on Crown and private lands. Their concerns include potential livestock impacts to moose habitat, mineral licks, cultural gathering areas and water quality.
- The recent January 2023 Agreement between HRFN and the Province contains over 65 grazing licence and lease agreement areas identified.
- The District and Range Branch are working on a comprehensive strategy to address internal resourcing, data gaps, and pending decisions to address

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Ministry: Forests
Minister Responsible: Bruce Ralston

concerns expressed by HRFN while supporting a viable livestock sector in the Northeast.

- There are conflicting opinions across Treaty 8 First Nations regarding grazing activities on the land base. While HRFN and Doig River First Nation have identified concerns, other Treaty 8 First Nations are supportive of the use of land for livestock grazing and have individually requested information on further developing range agreement areas within their traditional territories.
- Ministry of Indigenous Relations and Reconciliation (MIRR) has also been finalizing Treaty Land Entitlement Agreements (TLE) and Tripartite Land Agreements (TLA) with Treaty 8 First Nations. There are significant overlaps of grazing leases on the associated land transfers that will need to be sorted out for Halfway River First Nation, Saulteau First Nations, West Moberly First Nations, Doig River First Nations, and Blueberry River First Nations.
- While long term impacts to Range tenure holders is difficult to quantify at this stage, initial analysis indicates that inclusive of HRFN and DRFN concerns and requests, along with the TLE work still to be done, the anticipated shorter term impacts of Range tenure removal is estimated to be less than a 10% reduction. Engagement with the other First Nations in the region is focussing on changes to Range practices rather than outright tenure removal.

Contact:

Mike Hykaway ADM North Area Regional Operations 250-893-7516

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Overview of Community Forest Licence Program

Revised: March 13, 2023

Issue: Community Forest Agreements (CFAs)

Response:

- Community Forest Agreements (CFAs) are area-based licences that typically reside within rural communities and provide those communities with employment and control of the local forest resources.
- They range considerably in size from under 500 hectares to over 100,000 hectares.
- Government recognizes that CFAs have unique characteristics that contribute to a sustainable B.C. economy. They are held by communities, including partnerships with Indigenous groups.

Background/Status:

- There are 61 CFAs provincially accounting for 3% (2.24M m³) of the provincial allowable annual cut.
- The first CFAs were issued in the year 2000 under a probationary model. The success and growth of the program has seen the latest CFA issued in December 2022. Growth is expected to continue into the near future where timber volume is available.
- Forest Tenures Branch and the B.C. Community Forest Association have a joint working group with a focus on policy that affects licensees such as impacts from the old growth review, wildfire mitigation, reconciliation impacts, forest management, tenure and pricing administration, and general communications.
- The Robin Hood Memorial Award for Excellence in Community Forestry is awarded annually to a CFA by the Minister at the Association's Annual General Meeting (AGM). The recognition includes a grant for \$10,000.
- The Minister will be asked to attend the 2023 AGM in Kamloops on June 8th.

Contact:

Matt Austin ADM - Integrated Resource Operations 250-360-6317

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Overview of Woodlot Licence Program

Revised: March 13, 2023

Issue: Woodlot Management

Response:

- **Woodlot Licences (WLs) are small area-based licences that typically reside within the urban/forest interface managed by private citizens of B.C.**
- **WLs are a maximum of 800 hectares on the coast, and 1,600 hectares in the interior.**
- **Government recognizes that WLs have unique characteristics that contribute to a sustainable B.C. economy. They are held by individuals, partnerships and Indigenous groups.**

Background/Status:

- There are 845 WLs provincially with an allowable annual cut (AAC) of 1.45M m³.
- The program's AAC represents approximately 2% of the total provincial AAC.
- Approximately 50% of all WL have a private land component that is managed under the same regime as the Crown portion.
- The program originated in 1948 and has goals that promote productivity of Crown and private land, local employment and excellence in forest management.
- There are no initiatives aimed at expanding the program and over time it is anticipated that the program will decline due to government conservation and reconciliation priorities.
- Forest Tenures Branch and the Federation of British Columbia Woodlot Associations have a joint working group with a focus on policy that affects licensees such as impacts from old growth review, species at risk, reconciliation impacts, forest management, tenure administration, and general communications.
- Three WLs are annually awarded grants by the "Minister's Awards for Innovation and Excellence in Woodlot Management". The grants total \$10,000 and are awarded to three licensees at the Federation's Annual General Meeting.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Contact:

Matt Austin ADM - Integrated Resource Operations 250-360-6317

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Stumpage - Alberta

Revised: March 3, 2023

Issue: Stumpage - Alberta

Response:

- Alberta's forests are relatively uniform which allows for a simpler stumpage system.
- BC has more ecological diversity and tree species diversity than Alberta.
- Alberta's stumpage system works for Alberta because of this lack of diversity.
- In BC, we have spruce, pine, and balsam like Alberta, but we have so much more. High value Douglas-fir and western red cedar for example.
- In BC, we have more diverse and more difficult terrain with associated higher operating costs.
- In BC, we need a more complex stumpage system to adequately price our species and terrain diversity.
- Stumpage in Alberta is more volatile than in BC.

Background/Status:

- The Alberta system has shorter lags and higher volatility than the BC system.
- In times of high lumber prices, Alberta has higher stumpage than BC and conversely in times of low lumber prices Alberta stumpage is lower.
- As an example, in December 2021 Alberta stumpage was significantly lower than in BC, but increased substantially in January 2022 with the jump in lumber prices (see table #1 below).
- BC's stumpage volatility is lower than Alberta for the following three main reasons:
 - BC's system is market based and reflects bidding behaviour in auction sales which has a moderating influence,
 - BC uses 3 month averages of product prices, compared to 1 month for Alberta, and
 - BC uses actual lumber sales from BC mills (a broader basket) rather than a single product.

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- The Market Pricing System localizes stumpage in BC to account for the diversity of terrain, ecosystem, species, and productivity in BC.

Date	Interior Average All Grade Stumpage Rate - 3 Mo (2 Mo Lag)	Alberta Stumpage	Coast Average All Grade Stumpage Rate - 3 Mo (2 Mo Lag)
Jan 2022	\$16.35	\$89.25	\$37.97
Feb 2022	\$16.35	\$116.10	\$37.97
Mar 2022	\$16.35	\$131.89	\$37.97
Apr 2022	\$40.97	\$146.10	\$35.53
May 2022	\$40.97	\$90.92	\$35.53
Jun 2022	\$40.97	\$79.44	\$35.53
Jul 2022	\$63.19	\$26.96	\$45.69
Aug 2022	\$63.19	\$36.80	\$45.69
Sep 2022	\$63.19	\$26.96	\$45.69
Oct 2022	\$32.32	\$17.33	\$41.57
Nov 2022	\$32.32	\$13.04	\$41.57
Dec 2022	\$32.32	\$8.12	\$41.57
Jan 2023	\$30.28	\$2.82	\$28.35

1. B.C. stumpage rates are average appraised rates, including \$0.25/m³ low grade rates, weighted by cruise volume
2. Alberta stumpage rates are based on end-product pricing for deliveries to sawmills.
3. The Alberta system has shorter lags and higher volatility than the B.C. system.

Contact:

Melissa Sanderson ADM

Timber, Range, and
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250-812-7253

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Stumpage – Budget Forecast

Revised: March 6, 2023

Issue: Budget Forecast

Response:

- Forest revenue is expected to decline 54% in 2023/24 due to lower stumpage revenue and lower logging tax revenue.
- The decline in forest revenue reflects the uncertain economic global situation and general consensus that economic activity is expected to slow.
- Year over year revenue reductions are primarily related to lumber price changes.
- Lumber prices have fallen from US\$ 1400/mfbm in March 2022, to under US\$ 400/mfbm in March 2023.
- Lower lumber prices impact stumpage revenue through the market pricing system.
- Total Crown harvest volumes are estimated to be 38 million m³.
- Harvest volumes have declined significantly over the past few years due to declines in annual allowable cuts associated with pest epidemics, wildfires, species at risk protection, and old growth deferrals.

Background/Status:

- Forest Revenue is declining from an estimated \$1.85 B in Fiscal 2022/23 to \$846M in Fiscal 2023/24
- The forest revenue forecast is based on current economic assumptions regarding lumber commodity prices, US housing starts, the Canada-U.S. exchange rate, and prevailing stumpage rates
- Economic assumptions are reviewed and developed jointly with Treasury Board staff.
- Lumber Price assumption:
 - the stumpage forecast assumes \$US 400/mfbm price of lumber for 2023 - Down from an average \$US 814/mfbm in 2022.

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- for every +/- \$US 50/mfbm change in lumber prices (over a full year), there is a stumpage revenue change of approximately +/- C\$125 M.
- Crown harvest volumes assumption:
 - The stumpage forecast assumes 38 million cubic meters will be harvested in 2023/24
 - Crown harvest volume was 42.5 million cubic meters in 2021/22 (start of old growth deferrals)
 - Crown harvest volume has fallen from 60 million cubic meters in 2016/17

FORESTS REVENUE (\$,Millions)	2022/23 Revised Forecast	2023/24 Budget Forecast	2024/25 Target	2025/26 Target
Timber Tenures ¹	\$1012	\$293	\$333	\$427
BC Timber Sales	\$320	\$274	\$268	\$316
Other CRF Revenue ²	\$36	\$30	\$30	\$30
Logging Tax ³	\$375	\$100	\$50	\$50
Recoveries ⁴	\$112	\$149	\$149	\$115
FORESTS REVENUE (A9)	\$ 1,855 M	\$ 846 M	\$ 830 M	\$ 938 M

- ¹ Timber Tenures includes stumpage revenue and annual rent revenue. Recoveries related to revenue sharing payments to Indigenous Peoples are deducted to provide **net timber tenures revenue**.
- ² Other Consolidated Revenue Fund (CRF) Revenue includes timber export fees, range permits and fees, waste, penalties, interest and other miscellaneous forestry receipts.
- ³ Logging tax is administered by the Ministry of Finance and applies to individuals or corporations that have income from logging operations on private or Crown land in BC.
- ⁴ Recoveries include log export recoveries and wildfire management recoveries. Ministry of Indigenous Relations and Reconciliation Forest Consultation and Revenue Sharing Agreement (FCRSA) recoveries are also included.

Contact:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Stumpage - Lags

Revised: March 3, 2023

Issue: Stumpage Lags

Response:

- Fully appraised cutting authorities (excluding BCTS auction sales) are currently adjusted quarterly on January 1st, April 1st, July 1st and October 1st of each year.
- This schedule has not changed in more than 35 years.
- Stumpage rate adjustments are based on recent market pricing parameters (the monthly 'parameters').
- The parameters are market indicators such as lumber values, inflation, US dollar exchange rates, housing starts, recent BC timber sales and cut levels (harvest availability).
- For each month, three months of market data is used with a two-month administrative 'lag' to allow for the data to be collected, summarised, approved and published.
- The Ministry is reviewing options to reduce the lag time of the stumpage rate adjustments and allow the system to respond quicker to changing market conditions.

Background/Status:

- Lags in the stumpage system can be administrative or policy driven.
- They are necessary in some cases to allow time for data to be collected (administrative).
- In other cases, they are deemed necessary to stabilise the stumpage system (policy).
- Lags create a level of predictability/stability in the stumpage system for both government and its tenure holders.
- Shortening the "lags" will increase greater volatility in stumpage.
- There are currently discussions around moving from three months of market data to two months of market data and updated stumpage monthly rather than quarterly.

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Minister Responsible: Bruce Ralston

- Using two months of data may cause slightly more instability in the averages but will remove one month of the lag in the parameters.
- Reducing lags has a trade off between stability and responsiveness.
- Existing Coast MPS:
 - The **auction dataset** consists of 16 years of auctions and new auctions are added annually with a 6 month lag.
 - Due to length of the dataset, the model is quite stable.
- Existing Interior MPS:
 - The **auction dataset** consists of 15.25 years of auctions and new auctions are added annually with a 3 month lag.
 - Importantly, the Interior uses a system which places greater weight on the last year of sales in the dataset, which means the impact of adding new sales can be significant.
 - To avoid large changes in stumpage due to annual updates, a change was made in July 2020 to incorporate new bidding behaviour quarterly.
 - This change simulates quarterly updates and reduces large impacts of the annual updates as the changing bidding behaviour is incorporated through the year.
 - For example, if the system had been in place prior to July 2019, the large stumpage increase at that time (due to extremely high bids in late 2018 and early 2019) would have been replaced by more gradual increases in the preceding quarters.

Contact:

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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: B.C. Flood Strategy
Revised: March 13, 2023

Issue: The B.C. Flood Strategy

Response:

- The Ministry of Forests, supported by the Ministry of Emergency Management and Climate Readiness, is leading the development of a B.C. Flood Strategy to support progress toward a more flood resilient British Columbia.
- The Strategy is intended to enhance partnerships with First Nations and local governments, improve public safety and support a holistic approach to flood management.
- In 2021 and 2022, the Province engaged with First Nations, local governments, and federal agencies, this led to an Intentions Paper for the Strategy released in October 2022 for public input.
- The Intentions Paper proposes a strategic framework that includes a Vision, Outcomes, and Principles for flood resilience in the province.
- It includes actions to reduce risk and adapt to flood events, such as the fall 2021 Atmospheric River event.
- The Province is now working with Indigenous partners to write the strategy based on what we heard from governments, industry, academia, professional associations, non-government organizations and the public.
- We plan to release a draft of the Strategy in 2023, with implementation planning to follow.

Background/Status:

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Minister Responsible: Bruce Ralston

- The B.C. Flood Strategy aligns with government mandates to collaborate with local, federal and Indigenous governments, to strengthen the Province's flood response through the completion of B.C.'s Flood Strategy, and start the work to translate the strategy into action through a B.C. Flood Resilience Plan
- The B.C. Flood Strategy will set the direction for more coordinated approaches with other jurisdictions and partners that will enable targeted strategic investments, programs, and policies to achieve a more flood resilient province
- Flooding is a common, costly disaster in B.C. that often threatens public safety and impacts a range of economic, social, and environmental issues
- The costs of damage from a major Lower Fraser River flood in the future are estimated at more than \$30 billion without further flood resilience investments
- Due to ongoing climate change, flooding is becoming more frequent, with flood frequencies on rivers likely to increase by at least 10-20% by the end of the 21st century
- Development of the B.C. Flood Strategy supports government's response to the 2018 B.C. Auditor General's report on B.C.'s management of climate change risks, and the 2018 Abbott Chapman review of the 2017 wildfire and flood season
- Estimated costs to raise and seismically upgrade the existing *Dike Maintenance Act* regulated Lower Mainland sea dikes and Lower Fraser River high consequence in the Lower Mainland to meet 1 meter sea level rise by 2100 is estimated at over \$12 billion
- Estimated costs to upgrade all orphan dikes up to Provincial standards are \$1 billion
- Work is underway to support alignment of regional flood risk mitigation strategies, such as the Lower Mainland Flood Management Strategy, with the B.C. Flood Strategy under development

Contact:

Matt Austin ADM Integrated Resource Operations Division 250-360-6317

2023/24 Estimates Note Advice to the Minister

Ministry:
Bruce Ralston

Forests Minister Responsible:

Title: Drought Readiness 2023

Revised: March 13, 2023

Issue: Drought Readiness

Response:

- Ministry of Forests (FOR) is actively working with the Ministry of Emergency Management and Climate Readiness (EMCR), the Ministry of Water, Lands and Resource Stewardship (WLRS) and other provincial and federal partners to support the potential required drought response.
- FOR staff will send out drought communication to licensees starting in the spring identifying water-scarce watersheds and conservation measures that can be considered.
- FOR staff will be delivering internal preparedness training, focused on the implementation of the *Water Sustainability Act* (WSA) and tools that can be used.
- FOR staff are actively monitoring the snow bulletins and will be watching freshet closely as early indicators for drought.
- The drought portal will be updated starting in May with 2023 current conditions, when the Provincial Technical Drought Working group (PTDWG) reconvenes.
- The Interagency Drought Working group (IADWG) is a cross agency collaboration committee focused on the strategic level of implementing the “B.C. Drought and Water Scarcity Plan” and will reconvene in April 2023.

Background/Status:

- FOR is the lead ministry of the implementation of the WSA and the B.C. Drought and Water Scarcity Response Plan, and applies WSA provisions to mitigate the impacts of drought.

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- The BC Energy Regulator also applies WSA provisions to mitigate the impacts of drought.
- WLRS is the ministry responsible for the development of provincial drought response policy and WSA legislative changes.
- EMCR is responsible for supporting coordination of water shortage and drought responsive actions across provincial agencies, local authorities and First Nations
- EMCR is currently leading Provincial Water Scarcity Planning to increase drought resilience in high-risk areas in regard to potable water sources with a focus on local governments.
- B.C. has seen an increase in drought intensity and duration over the past several years, as competing factors within watersheds increase, such as the need for irrigation, fish flows and supply to waterworks.
- FOR continues to effectively implement the B.C. Drought and Water Scarcity Plan utilizing tools under the WSA.
- Implementing Ministerial orders under the WSA requires supporting science and economic analysis that often take time.

Contact:

Matt Austin ADM - Integrated Resource Operations 250-360-6317

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Floodplain Mapping

Revised: March 13, 2023

Issue: Floodplain Mapping

Response:

- Floodplain maps are essential for understanding a community's flood hazard; high quality, accessible, up-to-date maps will help us all to plan and implement effective strategies to reduce flood impacts.
- In the last six years, the Province has supported First Nations and local governments to conduct floodplain mapping through programs like the Community Emergency Preparedness Fund (CEPF).
- The Province is also investing over \$10.4 million through the Climate Preparedness and Adaptation Strategy (CPAS) by March 2025 to produce floodplain maps in higher flood risk areas, particularly those without existing maps.
- This year and next, we've also seized an opportunity to share costs with the federal government for coordinated floodplain maps through the Flood Hazard Identification and Mapping Program (FHIMP).
- Engagement and initial work is underway toward floodplain mapping in the first five study areas, including:
 - Prince George to Vanderhoof (Nechako/Fraser Rivers)
 - Houston to Terrace (Bulkley/Skeena Rivers)
 - Upstream of Merritt to Spences Bridge (Nicola River)
 - Upstream of Hope to Kent (Fraser River)
 - Shuswap Lake area
- This investment in floodplain mapping underscores our commitment to understanding risk, as the foundation for flood risk reduction and climate adaptation.

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Minister Responsible: Bruce Ralston

Background/Status:

- A provincial flood mapping program began in 1974. Under the Canada/British Columbia Agreement Respecting Floodplain Mapping in 1987, the Province continued developing flood maps until the early 2000's. At the time, 70 communities were mapped. Federal funding ceased in 1998.
- After 2003, local governments were granted the powers to manage development decisions on floodplains. Accordingly, the lead for floodplain mapping shifted to the local level, guided by B.C.'s professional practice guidelines for floodplain mapping.
- First Nations, local governments and organizations such as the B.C. Real Estate Association have called for updated floodplain mapping in B.C. for many years.
- Engagement toward the B.C. Flood Strategy indicated that flood hazards do not stop at municipal boundaries and that it is challenging for communities to coordinate regional scale flood mapping projects.
- The B.C. Flood Strategy Intentions Paper identifies a priority action for floodplain maps as a key component to understanding risk.
- Natural Resources Canada (NRCan) created the FHIMP, which aims to complete floodplain maps for higher risk areas and make this information accessible.
- FHIMP requires 50% provincial – 50% federal funding,
Government Financial Information; Intergovernmental Communications

Government Financial Information; Intergovernmental Communications An extension to FHIMP was recently announced and is expected to run from 2025-2030.

- The Province works with the Fraser Basin Council to coordinate the current provincial floodplain mapping work.
- This work provides basic products for emergency management and regulatory use, but the local government lead for floodplain mapping and development decisions remains unchanged.
- The Ministry is also preparing guidance for communities toward adopting floodplain maps for regulatory purposes, and addressing related topics such as flood insurance and impacts to property values.
- In Budget 2023, the Province committed a further \$180 million to the CEPF to support projects that help local governments and First Nations prepare communities for the risks of natural hazards and lessen the effects before disasters happen. The new contribution brings CEPF's total investment to \$369 million since 2017.

Contact:

Matt Austin ADM - Integrated Resource Operations 250-360-6317

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Freshet Readiness - Spring 2023

Revised: March 13, 2023

Issue: Freshet Readiness

Response:

- The Ministry is taking action to reduce flood impacts this spring, and throughout the year.
- We are working closely with the Ministry of Emergency Management and Climate Readiness (EMCR) and other provincial and federal partners to support First Nations and local governments as we prepare for spring freshet and potential flooding.
- The Province has expanded the operational capacity of the River Forecast Centre, this improves flood and drought forecasting capabilities to meet the increasing demands of longer and more intense seasons under climate change.
- The River Forecast Centre is producing monthly snow bulletins for watersheds across the Province and refining hydrometric models, forecasts and flood advisories.
- This gives us the information that local governments and First Nations need to warn residents and coordinate emergency works as waters rise.
- Communication is key to coordination during freshet, our Ministry supports daily coordination calls with First Nations and local governments and we have developed a Common Operating Picture to share real-time flood information.
- EMCR also provides preparedness guides for individuals and businesses as part of the whole-of-society approach.
- The Province continues to invest in flood planning and mitigation work, including new investments in Budget 2023

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

toward disaster mitigation and further extending the
Community Emergency Preparedness Fund (CEPF).

Background/Status:

- Roles and responsibilities for flood preparedness and response (as well as mitigation and recovery) are outlined in the Provincial Flood Emergency Plan.
- During response, each region coordinates a Flood Assessment Unit, with flood observers and assessors who provide technical information to improve situational awareness and decision making.
- The River Forecast Centre updates hydrometric modelling for major watersheds and the Fraser River and issues high streamflow advisories, flood watches and flood warnings based on the best available data from multiple agencies.
- The Flood Safety Section provides water level forecasts for the lower Fraser River and guidance for local dike authorities on dike management.
- The Ministry completed a dike crest elevation survey on all regulated dikes and shared it with local dike authorities, in the Lower Mainland, FOR also compared that survey with several flood scenarios to help determine vulnerable dike areas so that EMCR has better information as to where flood response resources may need to be deployed.
- There is continued strong relationship between provincial government staff in region and local governments, helping resolve issues on the ground.
- FOR also supports EMCR with forecasts and information for seasonal preparedness workshops prior to freshet, and with updated information on daily response coordination calls, as required.
- EMCR leads inventory/pre-positioning of response assets (e.g., gabion baskets, tiger dams, sandbags etc.).
 - On the impact of wildfires to flood hazards:
 - Recent wildfires may exacerbate flood related risks, changes to soil and vegetation after wildfires change runoff patterns and snowmelt.
 - River Forecast Centre incorporates wildfire impacts to our models through regular calibration with measured flows, this ensures that forecasts reflect the conditions on the ground and that flood advisories are issued with landscape vulnerability in mind.

Contact:

Matt Austin ADM - Integrated Resource Operations 250-360-6317

2023/24 ESTIMATES NOTE

Sumas Prairie Flood Mitigation tables: 4G MOU and Nooksack Transboundary Initiative

Key Messages/Suggested Response:

- Since the devastating flooding of the November 2021 Atmospheric River (AR) event, the province has been working collaboratively with the City of Abbotsford, Sumas First Nation, Leq'á:mel First Nation, and Matsqui First Nation to develop flood mitigation options for the Sumas Prairie. This is complex work due to the transboundary overflow risk from the Nooksack River, Washington State communities' interests in management of the Nooksack watershed, and the diversity of land uses and interests in the Sumas Prairie.
- Efforts are underway to establish a Memorandum of Understanding (MOU) with the province, Nations, City, and federal government. This 4-orders of Government MOU is anticipated to guide the framing of common values and interests, process, and commitments of the parties towards reducing and mitigating the risk of flooding in the Sumas Prairie.
- Together, with Washington State we are working on a transboundary initiative that will:
 - Respond to more frequent and severe flooding of the Nooksack River caused by climate change
 - Bring together the necessary resources and the relevant experts to help identify, evaluate and advance solutions
 - Drive the design of projects and programs and identify sources of funding.
- We understand the urgency and concerns communities have regarding increased flooding risk. A collaboratively developed plan will be expected to achieve multiple community values such as improved fish habitat and water quality while reducing flood impacts.
- This work will continue for the next fiscal year, with capacity funding provided to support the City, and Nations. Where agreed upon options can move forward, efforts will be taken to expedite actions which will help to reduce the risk of devastating flooding impacts.
- While more climate adaptive and resilient longer term flood mitigation options are designed, recovery efforts to support existing flood mitigation infrastructure is being supported (see note XXX on Recovery).

Background:

February 24, 2023

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- There are several Provincial government initiatives which have linkages to the flood mitigation planning work in the Sumas Prairie; those initiatives are:
 - FOR – B.C. Flood Strategy
 - MOTI - Fraser Valley Highway 1 Corridor Improvement Program
 - MUNI - Fraser Valley Regional Growth Strategy
 - Housing Provincial housing strategy
 - AFF – Food security and regenerative agriculture
- December 2021, the federal government announced a \$5 billion contribution to flood disaster recovery efforts. The Sumas Prairie flood mitigation initiative is seeking to build a plan which will access this federal commitment of funding.

4G MOU

- B.C. Parties to the MOU have been meeting roughly biweekly for the past six months.
 - A draft MOU is currently under review by the B.C. Parties.
 - Federal government participation is still to be confirmed.
 - The MOU scope includes to:
 - Collaboratively define values and principles to advance flood mitigation planning and support reconciliation through inclusion, cooperation, and capacity for First Nations.
 - Leverage Abbotsford initiated flood mitigation options to collaboratively develop new or revised options.
 - Support B.C./Canada coordinated feedback in the Nooksack Transboundary Flooding Initiative (NTFI) as well as incorporating outputs from this work into Sumas flood mitigation planning.
 - Inform recovery planning projects to effectively manage future flood related impacts.
- It is proposed that the partnering governments under the 4G MOU are organized within three layers of governance (aligned with NTFI structure) to direct flood mitigation planning:
 - Leadership Governing Body provides overall decision-making and strategic direction. Meets approximately bi-annually.
 - Steering committee comprised of senior leaders from signatory and other appropriate organizations that provide direction on process, strategic decision-making, establish working groups, and present recommendations to leadership table. Meets on a regular basis.
 - Working Groups to generate operational, technical and administrative advice and recommendations to the steering committee. Meets as needed to support Steering Committee and Working Group objectives and timelines.
- Key deliverables or factors for success include:

February 24, 2023

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- Finalizing the 4G MOU and confirming participation of all partners through the signature of representatives from First Nations, local governments, provincial and federal ministries.
- Developing a set of flood planning and mitigation pathways through shared leadership, coordination and direction on mutual priorities.
- Developing a Sumas River Flood Mitigation Plan, including considerations for implementation.

Nooksack Transboundary Flood Initiative (NTFI)

- Organized with three layers of governance (as per the 4G MOU) with varying representation among those tiers from B.C. (EMCR/FOR/AF/IGRS), City of Abbotsford, City of Chilliwack, Sumas, Leq'a:mel, and Matsqui First Nations, Washington State Governor's Office and Department of Ecology, Lummi Nation, Nooksack Indian Tribe, and Whatcom County. The US Geological Survey and Army Corps of Engineers have been active participants at the Technical table.
- Nooksack Steering Committee and Technical tables have been meeting bi-monthly over the past six months. It is anticipated that the Leadership table will meet at least annually (first meeting targeted for May/June 2023).
- Parties are currently drafting a framework for collaborative transboundary flood management in the Nooksack and Sumas watersheds to identify and pursue flood risk reduction actions for collective benefit.
- MLA Glumac was appointed by the Premier as liaison to Washington State. MLA Glumac has participated in several meetings and technical site visits of the Nooksack River and Sumas Prairie.

Key Facts and Figures:

- Sumas Lake was drained in 1924 with the completion of the Sumas Pump Station, and the Chilliwack River was diverted to the Vedder Canal. The resulting agricultural land was sold to increase agricultural settlement of the valley.
- Today there is close to \$1 billion in annual farm receipts, \$4.7 billion in farm capital and over 5,500 agricultural jobs spread over 1,300 farms in the Abbotsford area.
- 40kms of flood protection dikes and many pumps in the Sumas Prairie are designed to assist with flood mitigation.
- In 1984, the Sumas Pump Station was replaced with the Barrowtown Pump Station.
- Impacts from the AR event included:
 - over 3,300 people evacuated from their homes
 - forced closure of the US/Canada border and Highway 1

Contact:	Mobile: Government Financial Information
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Jennifer McGuire Disaster Recovery Division	
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Conflicting Forest Management Objectives Near Revelstoke

Revised: March 7, 2023

Issue: Revelstoke Forest Management – Downie Timber Mill; BCTS
TSLs; FLP/OG/Caribou

Response:

- I am aware of the complex interplay of objectives in the Revelstoke area.
- We are working with First Nations to develop options that balance the protection of forest values with their economic interests.
- I understand the importance of local industry and old growth to the people in the community.

Background/Status:

- Old Growth deferrals were requested in the Kootenay Boundary Region in August 2022, with immediate impact to local industry.
- The Gorman Group has been signalling that the Downie Mill at Revelstoke is in jeopardy due to lack of fibre since the old growth announcement in 2021.
- There is ongoing concern about old growth logging of BC Timber Sales licenses that contain old growth from environmental groups, including blockades and recent media coverage.
- Almost the entire Revelstoke area is identified as critical habitat for the recovery of Southern Mountain Caribou.
- The Caribou Recovery team has been working with First Nations for over two years to develop recovery options for Mountain Caribou.
- The Minister committed to the Mayor of Revelstoke that the Province would commence a Forest Landscape Plan in the area.
- Regional staff have been engaging with First Nations in preparation for the Forest Landscape Planning process.
- First Nations territories overlap in this area, with no clear strength of claim.

Contact

Jamie Jeffreys ADM South Area, Operations 250-819-2216

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Downie Timber Harvest of TAP Polygons Predating Deferral

Revised: March 3, 2023

Issue: Downie Timber and harvest of old growth Tap Polygons in Timber Sale Licences predating the deferral

Response:

- In November of 2021, following the Old Growth (OG) announcement, BC Timber Sales indicated that they would pause the auction of Timber Sale Licenses (TSL) containing TAP-identified at-risk old growth.
- The deferral process for OG was not to be applied to TSLs sold prior to the OG announcement.
- If the holder of a TSL sold prior to the OG announcement wishes to defer any TAP polygon within the block they can work with BCTS on several options if they choose to do so.
- BC Timber Sales is working with Downie on options open to them to maintain the deferral on the TAP-identified priority at-risk old growth within Argonaut/Bigmouth block A95685-K7FE and Dutchman Creek block A95227-K1VE.
- This is considered a “voluntary” deferral in that a legal order (Part 13) would not be required.

Background/Status:

- BCTS has auctioned and awarded two timber sales located North of Revelstoke which contain old growth TAP Polygons prior to the OG announcement.
 - TSL A95685 Bigmouth; issued August 31, 2020
 - TSL A95227 Nagel Creek; issued Nov 26, 2020.
- Both Timber Sales are managed by Downie Timber and are set to expire in 2023 and 2024, respectively) with no more opportunity for extension.
- These Timber Sales were blockaded by the group ‘Old Growth Revylution’ in early July 2021 who demanded that no old growth harvest be undertaken. The Timber Sales are not currently blockaded.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- Downie timber has told the Ministry that they committed to the blockaders to not harvest some Timber Sale License blocks in order to gain access to others.
- BCTS has explored the range of options with Downie Timber which are
 - not harvesting the TSL's,
 - not harvesting the TAP polygons within the TSL's or
 - harvesting the TSL's to completion

Contact:
Melissa Sanderson ADM - Timber, Range and Economics 250-812-7253

2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Finlay Forest Service Road

Revised: March 8, 2023

Issue: Finlay Forest Service Road continues to require substantive upgrades

Response:

- The Finlay Forest Service Road (FSR) is the longest FSR (425 km) in the province.
- It is the only access road for two Northern Indigenous communities (Tsay Keh Dene and Kwadacha).
- The Ministry of Forests continues to prioritize funding to upgrade the Finlay FSR - and other FSRs in remote and Indigenous communities.
- Priority capital funding projects this year on the Finlay FSR included a \$740,000 bridge install, \$825,000 of road works, and \$100,000 of bridge repairs.
- In addition to the capital funding and bridge repairs, \$1 million from the base engineering budget has been spent on the Finlay FSR for road maintenance operating activities during 2021/22 and 2022/23.

Background/Status:

- The Finlay FSR extends from Mackenzie to the Indigenous communities of Tsay Keh Dene (TKD) and Kwadacha. The FSR continues to require substantive upgrades.
- The road is sometimes impassable, and Emergency Management B.C. has funded flying in and barging of essential supplies of food and diesel to these communities in 2021 when the road was closed.
- A Solutions Table made up of TKD, Kwadacha, District of Mackenzie, Conifex and the Province was formed following the closure of the Mackenzie Timber Supply Area Coalition (Coalition). The Coalition was closed due to the recommendations coming forward seen by the Ministry as being too costly. Minister of Forests Conroy committed to continue looking at some of the recommendations coming out of the Coalition including Investigating the introduction of a simplified stumpage method that would be applicable to the northern three-quarters of the Mackenzie TSA, seeking funds to acquire LIDAR (light detection and ranging) imagery, and seeking funds to continue to make incremental improvements to the Finlay Forest Service Road.

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Advice to the Minister

Ministry: Forests
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- The Solutions table has estimated that over the next ten years capital upgrades of \$50 million and an additional \$3 million per year road maintenance budget would be required to upgrade and maintain the Finlay FSR to an all season two-wheel drive standard.
Advice/Recommendations; Cabinet Confidences; Government Financial Information
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-
- The province provides annual maintenance funding for the Finlay FSR and direct award contracts to TKD and Kwadacha.
- ChuCho Industries, a construction company owned by TKD, recently secured an \$800,000 road upgrade contract on the Finlay FSR for 2023/24.

Contact:

Mike Hykaway	ADM North	North Area Regional Operations	250-893-7516
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2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Great Bear Rainforest

Revised: March 21, 2023

Issue: Great Bear Rainforest (GBR) – Implementation Update

Response:

- I understand a package of Great Bear Rainforest (GBR) Land Use Order amendments have been prepared for my review later in April.
- Prior to a decision, I expect to meet with Coastal First Nations and Nanwakolas Executive to confirm our commitments to continue to work together once the Orders are updated.
- There is still much work ahead and I look forward continuing our close partnership in the GBR with First Nations on this iconic project.
- Over the next 18 months, we will roll out training on the updated legislation, develop a monitoring program with industry and First Nations and continue to complete the remaining old growth reserve network in the GBR through Landscape Reserve Designs (LRDs).

Background/Status:

- The Ministry of Forests (FOR) Mandate Letter directs Minister Ralston to “complete work to improve the protection and stewardship of forest resources, habitats, biodiversity, and cultural heritage in the Great Bear Rainforest Agreement”.
- An important milestone in achieving this mandate direction is the completion of the government-to-government review of the *2016 GBR Land Use Objectives Order (GBRLUO)*.
- The mandate for the periodic reviews of the GBRLUO come from two sources: government-to-government (G2G) agreements with Nanwakolas Council and Coastal First Nations and Ministry of Forests Deputy Minister Commitment Letter (2016) to licensees and environmental groups. Order reviews are scheduled for 2021, 2026 and every subsequent ten years. These reviews assess the

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

effectiveness of the implementation of the GBRLUO and propose improvements to the Objectives and forest management direction in the Land Use Order and supporting policy guidance.

- This review of the GBRLUO was led by the Ministry of Forests, Coastal First Nations (CFN) and Nanwakolas Council (G2G Forum). Licensees were represented by Coast Forest Conservation Initiative (Interfor, BCTS, Western Forest Products and Mosaic) and environmental groups by Rainforest Solutions Project (SierraClub, Greenpeace and Stand.Earth).
- Analysis of the GBRLUO was coordinated by the G2G Forum with significant effort made to incorporate the differing views of both stakeholder groups.
- After two years of analysis and discussion, G2G consensus on a suite of changes was concluded. The final package of GBRLUO amendments is ready for Minister review and decision.

Key Facts:

- The Province's GBR commitments consist of bilateral agreements with 26 First Nations and agreements with Coastal First Nations and Nanwakolas Council.
- Under these agreements, the Province is committed to the implementation of Ecosystem Based Management (EBM) in the GBR and to achieving high-levels of ecological integrity (conservation) and human well-being (economic opportunity/social wellbeing).
- In addition to completion of the legislative amendments, key GBR implementation tasks in 2023 include:
 - Supporting discussions between First Nations and Industry within the North GBR Timber Supply Area to develop a Charting Agreement that will allow for all parties to secure fair and equitable access to fibre;
 - Continued work on Landscape Reserve Designs (LRD), an important land based planning process that determines how our ecological protection and harvesting targets will be met on the ground (18 LRDs have received G2G endorsement, another 10 are close to completion – over 50 will be completed over the next 3 years).
 - Working with First Nations, Industry and environmental organizations to develop an environmental monitoring program that will ensure our collective commitments are met.
- The implementation of the GBR is guided by DRIPA, *Great Bear Rainforest (Forest Management) Act*, First Nations Agreements and protocols, and the GBR Land Use Orders, and supports the implementation of government's Coast Sector Revitalisation Strategy through partnerships between First Nations and the forest sector.

Contact:

Sarah Fraser ADM - Regional Operations - Coast Area Phone: 250 213-5087

2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Lakes Timber Supply Area - Lakes Resiliency Project

Revised: March 7, 2023

Issue: The Lakes Resiliency Project is one of the four provincial Forest Landscape Planning pilots.

Response:

- Resilience planning in the Lakes Timber Supply Area (TSA) is a key initiative to address long term timber supply stability, wildfire risk, old growth management, and ecological, cultural and economic stability in the area.
- The project will deliver a plan with objectives and strategies to recover and design forest ecosystems with improved resilience to catastrophic wildfire, insect infestations and other anticipated impacts from a changing climate.
- The Lakes TSA has a mid-term declining timber supply. The economic security of communities in the Lakes is linked to the timber supply, and the plan is needed to safeguard timber values over the long-term.
- The Province local governments, stakeholders and First Nations representatives are working collaboratively and recommendations from technical subject matter experts are currently being evaluated for inclusion in the plan.
- The strong, positive working relationships developed through the Lakes Resiliency Project will facilitate the success of future Forest Landscape Plan development in neighbouring TSAs.

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Advice to the Minister

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Minister Responsible: Bruce Ralston

Background/Status:

- The legal objectives in the Lakes Sustainable Resource Management Plans will be reviewed and are expected to be revised, including Old Growth Management Areas and Forest Seral Stage objectives.
- The project has produced a draft current condition report and has several technical working groups developing management recommendations.
- Visual Quality Objectives are enacted through Government Actions Regulations orders and will be reviewed and potentially amended.
- A critical element of the planning process is collaboration with First Nations to ensure their interests and values are captured. Trade-off discussions are likely to strike a balanced approach to forest management in the Lakes.
- The Resilience Plan, started in 2019, is a pilot for Forest Landscape Planning under the amendments to the *Forest and Range Practices Act*.
- The Planning Table is co-chaired by industry and includes broad representation from forest and range licensees, First Nations and Government.
 - On partnering with First Nations
 - The project has led to the development of a First Nations Steering Committee which provides technical direction to project working groups and is unique to the Lakes Forest Landscape Planning Pilot.
 - On protecting land and water:
 - Water, range and wildlife are examples of non-timber values that have outcomes, indicators and targets under development for inclusion into the Forest Landscape Plan.

Contact:

Mike Hykaway	ADM	North Area	250-893-7516
		Regional Operations	

2023/24 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Prescribed Fire in the Northeast

Revised: March 5, 2023

Issue: Prescribed and cultural fire commitments with Treaty 8 Nations and interest by stakeholders in prescribed fire in the Northeast.

Response:

- I recognize the strong interest by both First Nations and many stakeholders in the Northeast for the use of prescribed fire as a tool to heal the land and achieve wildlife, restoration and range objectives.
- Ministry of Forests supports the use of cultural and prescribed fire. Staff are working to assist First Nations and stakeholders with the application process.
- Staff are also working with range tenure and wildlife applicants to increase awareness of the process with the goal of having fire on the land in the spring.

Background/Status:

- Issuance of prescribed fire permits has become more challenging due to increasing and competing interests on the land base. Stakeholders who have applied for prescribed fire applications over the past decades are frustrated with the updated application requirements and the turnaround times for decisions.
- Conflicting management objectives exist in areas where stakeholders wish to burn, such as caribou recovery, federal bird protection and others where burning will negatively impact a species' natural life cycle.
- There are commitments in both the Blueberry River First Nations Implementation Agreement and the Treaty 8 Consensus Agreement to make progress on cultural burning.
- Blueberry River First Nations and other Treaty 8 First Nations support cultural and prescribed burning as one way to manage the land, increase wildlife populations and protect their communities. Conflicting First Nations' interests in burning make it difficult for the Province to approve applications.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- Regional Operations, BC Wildfire Service and stakeholders are collaborating on improving processes, adding resources and ensuring that other programs such as the Wildfire Risk Reduction program are coordinated.
- The Province is developing a strategy to support the co-design of a renewable five-year cultural burning plan that identifies specific areas within the Blueberry River First Nations Claim Area where cultural burns can:
 - support the exercise of Treaty Rights; and
 - be conducted safely.
- The Province will be collaborating with Treaty 8 Nations on a fire stewardship agreement focusing on communication, coordination and resolving potential issues which may arise.

Contact:

Mike Hykaway	ADM	North Area Regional Operations	250-893-7516
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2023/24 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: South Area Apportionment decisions

Revised: March 8, 2023

Issue: South Area apportionment decisions (6 in total)

Response:

- The Annual Allowable Cut (AAC) determinations for Cranbrook, Invermere and Arrow Timber Supply Areas (TSA) were made in 2017. Kamloops and Merritt TSAs in 2021, Okanagan TSA in 2022.
- Apportionment was listed as a priority topic for review in the *Modernizing Forest Policy in British Columbia: Intentions Paper*. Work is ongoing to review how apportionment processes and decisions are made inclusive of government objectives such as sustainability, economic stability, forest sector diversification, community stability, and reconciliation with indigenous communities.
- I am aware that the long delay in making the apportionment decisions may have caused concerns regarding forest sustainability and licensee stability. We are nearing completion on these apportionment processes and decisions will be made as soon as possible.

Background/Status:

- AAC for the Cranbrook TSA was reduced 10.6% on August 2017 from 904,000 m³ to 808,000 m³.
- AAC for the Invermere TSA was reduced 16.5% on June 2017 from 598,570 m³ to 496,720 m³. A further 14.5% reduction was implemented as part of a step down in June 2022 to 424,800 m³.
- Arrow TSA was reduced 1.2% November 2017 from 505,853 m³ to 500,000 m³.
- AAC for the Kamloops TSA was reduced 8.7% May 2021 from 2,300,000 m³ to 2,100,00 m³. The Merritt TSA was reduced 20% March 2021 from 1,500,000 m³ to 1,200,00 m³.

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Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- AAC for the Okanagan TSA was reduced 20% May 2021 from 3,078,405 m³ to 2,462,800 m³.
- Decision making timeframe:
 - Cranbrook TSA Spring 2023
 - Invermere TSA Spring 2023
 - Kamloops TSA Summer 2023
 - Merritt TSA Fall 2023
 - Arrow TSA Winter 2023
 - Okanagan TSA Spring 2024
- First Nations in all six TSA's have expressed their expectation of increased AAC allocation. Options developed increase the current apportionment to First Nations.
- Extensive engagement has occurred with First Nations through out the apportionment processes.

Contact:

Jamie Jeffreys	ADM	South Area	250-819-2216
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