



Ministry of
Forests

2024/2025

SPRING LEGISLATIVE SESSION

**FOR
ESTIMATES BINDER**

MINISTER BRUCE RALSTON

MARCH 2024

Minister Ralston
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Ministry of Forests



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Ministry of Forests

2024/25 – 2026/27 Service Plan

February 2024



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Minister's Accountability Statement



The Ministry of Forests 2024/25 – 2026/27 Service Plan was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which the plan has been prepared.

Honourable Bruce Ralston

A handwritten signature in black ink, appearing to read "Bruce Ralston".

Minister of Forests
February 9, 2024

Minister of State's Accountability Statement



I am the Minister of State for Sustainable Forestry Innovation and under the Balanced Budget and Ministerial Accountability Act, I am accountable for achieving the following results for 2024/25:

- a) Meet with relevant officials within government, with forest industry representatives, with First Nations and with other stakeholders in order to develop an understanding of opportunities and risks respecting the stabilization and growth of fibre supply.
- b) Submit to Cabinet a report on the results referred to in paragraph (a) on or before March 31, 2024.
- c) Strengthen and improve the "Residual Fibre Utilization Policy", drawing on the support of the Minister of Forests.
- d) Work with the Minister of Forests and the Minister of Indigenous Relations and Reconciliation to expedite work that is currently underway with First Nations, the purpose of which is to reach constructive arrangements and government-to-government agreements respecting certainty of access to fibre.
- e) Work with the Minister of Forests to accelerate the implementation of forest landscape planning.
- f) submit to Cabinet a report on the results referred to in paragraphs (c) through (e) on or before March 31, 2025.

A handwritten signature in black ink, appearing to be 'A. Mercier', written in a cursive style.

Honourable Andrew Mercier
Minister of Sustainable Forestry Innovation
February 12, 2024

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Strategic Direction

In 2024/25, the Government of British Columbia will remain focused on providing the services and infrastructure that people depend on to build a good life. Government will continue delivering results that matter to British Columbians including helping people with costs, attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy. Government will continue working collaboratively with Indigenous Peoples as it implements the Action Plan for the *Declaration on the Rights of Indigenous Peoples Act* and delivers initiatives that advance reconciliation in ways that make a difference in communities throughout the province.

This 2024/25 service plan outlines how the Ministry of Forests will support the government's priorities and selected action items identified in the January 2024 [Minister's Mandate Letter](#).

Purpose of the Ministry

The Ministry of Forests (the Ministry) supports resiliency of the province's land-base and economy by providing collaborative management of forest, range and archaeological resources, and leading the Province's wildfire response and mitigation. With a commitment to sustainable natural resource management, the Ministry is enhancing the role of forests and forest products as carbon sinks, managing forests to support healthy ecosystems, and working to ensure greater value for B.C. wood and high-value manufacturing. The Ministry is continually pursuing ways to strengthen partnerships, collaboration, and engagement with Indigenous Peoples, and to collaborate with other government ministries in conducting this work.

The Ministry also supports the Minister in his governance responsibilities for the [Forest Enhancement Society of British Columbia](#). A complete list of Crown Agencies associated with the Ministry can be found in [Appendix A](#).

Operating Environment

More than 90 percent of British Columbia's forest and rangelands are publicly owned and managed by the provincial government on behalf of the public, and B.C. strives to be a world leader in sustainable forest and range management. Managing such a broad and diverse area, however, is complex, and brings a number of factors that can impact the achievement of the Ministry's goals.

A vibrant and prosperous forest sector is vital to B.C.'s overall economic well-being, and is particularly important for rural communities. In 2022, the forest sector supported about 56,000 direct jobs in communities across B.C., generated \$6.4 billion in gross domestic product (GDP), and \$1.9 billion in government revenues (2022/23)¹. Challenges such as a declining timber supply, ongoing trade disputes with the U.S., and strained market conditions, however,

¹ Statistics Canada and BC Ministry of Forests

continue to face the B.C. forest sector. Economic conditions are also difficult for the secondary manufacturing sector, with temporary and permanent reductions in milling capacity being necessary. It is clear that B.C. must find new, innovative ways to support the forest sector to adapt and ensure it continues to thrive into the future.

The impacts of climate change continue to be increasingly felt by people and communities across B.C. Anticipating and addressing the long-term environmental consequences continues to be a key challenge at the provincial, national, and international levels. In the summer of 2023 the province experienced the most destructive wildfire season in B.C.'s history, with over two million hectares of forest and land burned, tens of thousands of people forced to evacuate, and hundreds of homes lost. Combined with the effects of an unprecedented drought, the ecological and economic damage is likely significant.

With climate change, forest health management has also become increasingly challenging as hotter and drier conditions lead to increased stress for B.C.'s ecosystems. In this context, forest resources help reduce the amount of greenhouse gases in the atmosphere by sequestering carbon dioxide through photosynthesis. The Ministry is supporting [CleanBC](#) by screening and planting trees that are more resistant to pests, diseases, and drought. Ministry researchers generate new and innovative scientific knowledge on climate change adaptation to support decision-making towards the successful management of B.C.'s forests.

Central to the Ministry's mandate are its commitments to meaningful reconciliation with Indigenous Peoples, and considerations of how diverse groups of British Columbians may experience Provincial policies and programs. The Ministry has a fiduciary responsibility to manage forest resources for public benefit, but decisions about forests and forest landscapes have disproportionate impacts on First Nations and their inherent rights. The Ministry is aligning programs, policies, and legislation with the [United Nations Declaration on the Rights of Indigenous Peoples](#) (UN Declaration). The Ministry also has been working on developing a responsive, diverse workforce that has a strong mandate to work collaboratively with Indigenous Peoples to realize these changes together.

In October 2023 the responsibility for the *Land Act*, *Water Sustainability Act*, *Wildlife Act*, and a number of other authorities for the administration of land, water, fish and wildlife were transferred from the Ministry of Forests to the Ministry of Water, Land and Resource Stewardship. As a result, there are some changes to this 2024/25 service plan. The Ministry has introduced a new goal and associated performance measures to demonstrate how the Ministry is advancing proactive and collaborative natural hazard management in B.C. In addition, some content has been reorganized to reflect the Ministry's ongoing priorities, including its focus on transforming the forest sector, supporting a resilient and sustainable land-base, and delivering Government's priorities and the Ministry's mandate in a way that supports meaningful reconciliation with Indigenous Peoples.

Economic Statement

B.C.'s economy posted modest growth last year as interest rate increases weighed on the economy, and employment continued to expand, supported by immigration. Inflation in the province continued to ease and the Bank of Canada has not raised its policy interest rate since July 2023. The impact of higher rates on borrowing costs and elevated household debt led to lower consumer spending and reduced home sales. Lumber, natural gas and coal prices declined in 2023, reducing the value of the province's goods exports. Meanwhile, there was a record number of housing starts in the province in 2023. There is uncertainty over the transmission of high interest rates to the residential construction sector and the duration of slower growth for the rest of the economy in B.C. and among our trading partners. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 0.9 per cent in 2023 and expects growth of 0.5 per cent in 2024 and 2.1 per cent in 2025. Meanwhile for Canada, the EFC estimates growth of 1.1 per cent in 2023 and projects national real GDP growth of 0.5 per cent in 2024 and 1.9 per cent in 2025. As such, B.C.'s economic growth is expected to be broadly in line with the national average in the coming years. The risks to B.C.'s economic outlook continue to center around interest rates and inflation, including the risk of price increases stemming from geopolitical conflicts, the potential for interest rates remaining higher for longer, and uncertainty around the depth and timing of the impact on housing markets. Further risks include ongoing uncertainty regarding global trade policies, lower commodity prices, climate change impacts and the volatility of immigration levels.

Performance Planning

Goal 1: Economic Benefits and Resilience for All People in British Columbia

The Ministry is committed to supporting a strong future for the forest industry in B.C. and is taking action to increase the value and resilience of forests and rangelands to achieve the highest economic returns possible for people in B.C. Through forest policy modernization and transformational initiatives, the Ministry is enabling greater planning certainty and diversified participation to respond to the present and emerging challenges and opportunities facing the forest sector, and is supporting good jobs for families and communities.

Some actions to support this goal have changed from previous service plans due to the transfer of responsibilities pertaining to land, water, fish and wildlife authorizations to the Ministry of Water, Land and Resource Stewardship. The performance measure tracking Client Satisfaction with natural resource authorization services has also been removed as a result of this change.

Objective 1.1: Support a strong economy and strengthen forest policy to create the conditions for an innovative, diverse and sustainable forest sector

This objective directs Ministry efforts towards creating the conditions that support a vibrant, innovative forest sector in B.C. Through specific policy changes and initiatives aimed towards modernizing forest policy, the Ministry is leading a forest sector transition to enhance stewardship and sustainability, as well as increase forest sector participation and economic development in the province.

Key Strategies

- [Modernize Forest Policy in British Columbia](#), and support ongoing transformation of B.C.'s forest sector through implementing policy, regulatory and legislative changes that benefit communities and Indigenous Peoples, maintain a competitive forest industry, and promote excellence in stewardship;
- Encourage forest industry diversification through initiatives that strengthen B.C.'s value-added manufacturing sector, including the new BC Timber Sales Value-Added Manufacturing Program that will provide a dedicated supply of fibre to the value-added sector;
- Facilitate the growth of B.C.'s bioeconomy through key partnerships that advance manufacturing of new and innovative forest products, supporting the Province's [CleanBC Roadmap to 2030](#);
- Represent B.C.'s interests in Canada-US litigation on the softwood lumber dispute and fight unwarranted softwood lumber duties by working with the federal government to challenge the duties through the [North American Free Trade Agreement](#), [the Canada –](#)

[U.S. – Mexico Agreement](#) and the World Trade Organization dispute settlement processes.

Discussion

This objective addresses how the Ministry is supporting B.C.'s forest sector in an era of change. Changing needs and interests of Indigenous and local communities, a changing climate, as well as a decreasing timber supply are some of the influencing factors.

Through bold initiatives to strengthen the forest sector in B.C., the Ministry is leading a forest sector transition and finding new ways to manage B.C.'s forests. Together with Indigenous Peoples, other ministries, interested parties and communities, the Ministry is supporting forest sector diversification, as outlined in the Modernizing Forest Policy in British Columbia Intentions Paper. This work aims to provide more opportunities for communities and First Nations to participate in the forest economy, and to create the conditions that encourage a shift from a "high volume" to "high value" mindset through expanding opportunities for the value-added sector and B.C.'s bioeconomy.

The Ministry is exploring ways to accelerate supply of timber and fibre for manufacturing and value-added processing in B.C. Through the creation of the BC Timber Sales Value-Added Manufacturing Program, BC Timber Sales (BCTS) is providing harvest opportunities through competitive auction to Crown timber for non-tenured or minimally tenured timber processing facilities. In addition, the Ministry is leading the [Value-Added Accelerators](#) in partnership with the Value-added Wood Coalition, [First Nations Forestry Council](#) and [Council of Forest Industries](#). The Value-Added Accelerators will develop solutions to grow value-added manufacturing in B.C. as a critical element of an integrated, competitive forest industry. The Ministry is also working to strengthen and improve the [Residual Fibre Utilization Policy](#) to increase fibre security and to address the demand from secondary and value-added manufacturers for sustainable fibre supply.

The Ministry tracks progress towards this objective through performance measure 1.1, which demonstrates the success of economic diversification activities, including the promotion of value-added forest manufacturing. The Ministry is also working to ensure timely and strong representation of B.C.'s interests in the softwood lumber dispute.

Objective 1.2: Integrated, coordinated and timely delivery of authorizations services to citizens, clients and businesses

This objective promotes effective management of service delivery processes in order to ensure that the Ministry is supporting a strong economy and providing public services that British Columbians can rely on.

Key Strategies

- Deliver forest, range, and archaeology authorizations services and decisions in accordance with the requirements of service users and standards of the Ministry;
- Continue to monitor and improve the timeliness and ease of access of authorizations services;

- Provide focused compliance and enforcement services to ensure responsible natural resource stewardship.

Discussion

The Ministry is responsible for statutory decision-making for forests, range, and archaeology activities in B.C., receiving on average over 15,000 applications annually for forests and archaeology authorizations alone. These decisions are complex – the Ministry must consider multiple interests on the land-base to provide reliable, effective services that meet the needs of clients and businesses, support reconciliation with Indigenous Peoples, and achieve the Ministry’s stewardship objectives. Through its monitoring, compliance, and enforcement services the Ministry ensures that natural resource legislation and associated decisions are upheld, including Crown land tenures and trespass, dam safety, forestry and range practices, water use, and conservation of heritage resources.

Delivering durable, coordinated, and timely decisions is a priority for the Ministry, and concerted efforts are made in this area to ensure continuous improvement. Progress towards this objective is monitored through internal metrics on application workload, staff capacity and processing timelines.

Performance Measures

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
1.1 Annual BCTS timber volume auctioned, targeted at the value-add sector	520,000 m ³	750,000 m ³	670,000 m ³	680,000 m ³

Data source: BC Timber Sales

Discussion

Under the direction of the Ministry, BC Timber Sales manages about 20 percent of the province’s allowable annual cut for Crown timber, operating in 33 communities, directly supporting over 8,000 jobs across B.C.

The value-added sector is primarily made up of small- to medium- sized companies that manufacture a diverse range of specialty products that maximize the value of B.C.’s forests. One of the contributing factors to the value-added sector’s ability to maintain capacity and create new and innovative products and processes is access to fibre (both logs and lumber); however, many value-added manufacturers do not hold replaceable Crown tenure and may source input materials through the open market. In order to support this vital sector of the forest industry, BCTS provides harvest opportunities through competitive auction to Crown timber for non-tenured or minimally tenured timber processing facilities.

This performance 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. Targets are set based on the amount of volume

apportioned to BCTS and may be adjusted annually based on market conditions and government direction.

Goal 2: Partnerships to Advance Reconciliation with Indigenous Peoples

Furthering Government's commitment to work toward true and lasting reconciliation, the Ministry is taking action to expand opportunities for First Nations to participate and collaborate in forest planning, share decision-making, and realize benefits from forestry and the forest economy.

Objective 2.1: Strengthen partnerships and meaningful engagement with Indigenous Peoples in the management of the land base and forest resources in B.C.

This objective is directed at improving the engagement activities that would result in economic development for Indigenous communities and Peoples. The Ministry is committed to the B.C. Government's plans to share the sustainable management of the province's natural resources with Indigenous Peoples.

Key Strategies

- Continue implementation of the UN Declaration through application of the [*Declaration on the Rights of Indigenous Peoples Act*](#) in alignment with the Ministry of Indigenous Relations and Reconciliation, and other ministries;
- In collaboration with the Ministry of Indigenous Relations and Reconciliation and the Ministry of Finance, continue work with First Nations to co-develop a new fiscal framework and forestry revenue sharing model;
- Explore greater opportunities to promote partnerships through program-level operations and government-to-government mandates;
- In collaboration with First Nations and with support from the Ministry of Tourism, Arts, Culture and Sport, transform the [*Heritage Conservation Act*](#) in accordance with the [*Declaration Act Action Plan*](#);
- Continue to reform forest legislation, regulations and policy to reflect a shared strategic vision with First Nations that upholds the rights articulated in the UN Declaration.

Discussion

The Ministry has a key role in supporting genuine and enduring reconciliation with First Nations, and is focused on several priorities to advance reconciliation. This includes changing the approach to manage and make decisions around B.C.'s heritage resources by making long-sought changes to the [*Heritage Conservation Act*](#); and implementing improvements to forest service roads to enhance access to remote First Nations communities. The Ministry is also continuing to work towards increasing the amount of replaceable forest tenure held by First

Nations, co-developing a new fiscal framework, and creating more tenure opportunities for First Nations.

The Ministry recognizes that these initiatives are just a start. The Ministry also has long-term reconciliation strategies, with critical work focused on the development of [Declaration Act Section 7](#) agreements to legalize co-management approaches and to share the benefits provided by B.C.'s forests. Through this work, the Ministry is taking action – as directed by the Declaration Act Action Plan – to create a more prosperous and inclusive future for all British Columbians, now and for generations to come.

Objective 2.2: In partnership with First Nations, implement a new vision for forest management that prioritizes B.C.'s ecosystem health and community resiliency

The Ministry recognizes and honours First Nations' rights and title on their traditional territories. To further our government's commitments in this respect, the Ministry continually seeks opportunities to partner with First Nations communities to ensure forest management practices benefit from Indigenous stewardship, values, and knowledge.

Key Strategies

- In partnership with First Nations and other interested parties, continue to advance implementation of the recommendations from the [old growth strategic review](#), which will be guided by the Old Growth Action Plan and advanced in collaboration with partner ministries;
- Continue to work toward full partnership with First Nations in managing B.C.'s forest resources through collaborative management agreements, shared decision-making tables, and [forest landscape planning](#);
- Co-develop a [cultural and prescribed fire](#) program with First Nations and local governments to enable cultural and prescribed fire as an accessible, efficient land management tool that supports the integrated and expanded use of prescribed fire, and enables the use of cultural fire by Indigenous Peoples;
- Work collaboratively with the Ministry of Water, Land and Resource Stewardship and First Nations governments to develop land-use objectives through [modernized land use planning](#), ensuring that sustainable natural resource management reflects shared social, cultural, economic, and environmental values.

Discussion

The Ministry is committed to a new integrated approach to enhance forest ecosystem health and resiliency throughout the province, and is working to achieve full partnership with First Nations in the management of B.C.'s forests through a number of actions and strategies.

The Ministry is working with First Nations, interested parties, and others to continue implementation of the recommendations from the Old Growth Strategic Review. In 2024/25, the Ministry will continue to implement the strategic and operational commitments made

through the Old Growth Action Plan, which will guide the management of B.C.'s old forests into the future.

Cultural and prescribed fire supports land-based revitalization and forest health, and can be utilised as a restoration tool for improving community safety and well-being. Many First Nations in B.C. have a long history of utilizing fire to nurture ecosystems, and controlled burning can connect First Nations to traditional foods as well as spiritual resources. The Ministry is committed to adapting and updating policies and practices to increase cultural and prescribed fire across the province.

The Ministry monitors progress towards its objective through performance measure 2.1, which demonstrates progress towards building and implementing a cultural and prescribed burning program with First Nations.

Performance Measures

Performance Measure	2020/21 Baseline	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
2.1 Number of cultural and prescribed fire projects developed by or co-developed with First Nations ^{1,2,3}	3	26	40	60	85

Data source: BCWS prescribed fire provincial project data tracking spreadsheet

¹“Cultural and prescribed fire” is defined by the Wildfire Regulation as Resource Management Open Fire and includes the use of fire by government for purposes established in Section 18 of the *Wildfire Act*; “Developed by First Nations” is a BCWS-approved independently developed First Nations’ burn plan. “Co-developed with First Nations” is: a First Nation actively engaged in project development, a First Nation is a burn plan co-proponent, or where cultural burning is the primary objective.

²The reporting period for this performance measure is January 1 to December 31.

³This performance measure was tracked under Goal 1 in the 2023/24 – 2025/26 service plan.

Discussion

Cultural fire is an Indigenous-led practice of using fire on the land as part of First Nations stewardship practices, informed by cultural knowledge and objectives. Prescribed fire is the planned and controlled application of fire to the landscape to achieve objectives, including fuel management (risk reduction), habitat enhancement, ecosystem restoration, climate adaption and resilience, and pest management. These two practices have their roots in different management systems, but each contributes to ecosystem health and resilience, as well as reducing the risk of large-scale wildfire.

Burn planning ensures the use of fire supports the revitalization of ecosystems and does not damage environmental and other values, and incorporates considerations including fuel types, weather, topography, fire intensity, rate of spread, smoke management, and various local values and objectives. Burn plans ensure the use of fire is undertaken in safe conditions, and protects public safety. Projects are often developed in collaboration by burn proponents, burn practitioners and professionals.

This performance measure reports on the number of approved burn plans developed by or co-developed with First Nations. Tracking partnership-based burn plans allows the Ministry to assess its performance in relationship development, partnership opportunities, and capacity development which are the foundation of program growth. Burns can only be successfully conducted under favourable seasonal weather conditions which can vary significantly from year-to-year, and burn plans, rather than burn completion, is considered a more reliable measure of performance. A baseline was defined from the 2020/21 program data. Following assessment in 2023, targets for 2024/25, 2025/26 and 2026/27 were adjusted from the 2023/24 Service Plan to reflect anticipated program growth. Targets are cumulative, and will be assessed annually and adjusted accordingly.

Goal 3: Proactive and Collaborative Natural Hazard Management

Through this new goal for 2024/25, the Ministry commits to delivering the very best wildfire mitigation, preparedness, response, and land-based recovery to support strong, healthy, and resilient forests and communities. Through collaborating with First Nations, other governments, and agencies, the Ministry continues to implement a year-round, all-hazards approach to address the threat of extreme fire and other climate change induced events.

Objective 3.1: Improve community resiliency and reduce wildfire risk

This objective aims to reduce the risks and impacts of wildfires through the implementation of a risk-assessment based approach, including incorporation of Indigenous values, knowledge and practices.

Key Strategies:

- Reduce risk and increase community resiliency through the implementation of [Government's Action Plan - Responding to wildfire and flood risks](#) and the development of a Provincial Risk Reduction Strategy to reduce wildfire risk in B.C. through targeted fuel management activities in high wildfire risk landscapes;
- Support work in treating the [Wildland Urban Interface](#) through delivery of [FireSmart](#) activities, and strengthen capacity of local emergency authorities and Indigenous communities to prepare and respond to wildfire events;
- Continue to provide advice, support, and funding to local governments through programs such as the [Community Resiliency Investment program](#) and [FireSmart](#) to strengthen capacity, reduce risk to communities, and improve preparedness for wildfires and other natural hazard events.

Discussion

As extreme climate events increase in frequency, complexity and severity, the Ministry recognizes the need to improve landscape and community resiliency through natural hazard prevention, preparedness, response, and land-based recovery.

The Ministry is advancing key actions such as co-developing a scalable cultural and prescribed fire program with Indigenous Peoples, working to increase FireSmart activities in communities, and developing a wildfire risk reduction strategy. Through these actions, the Ministry aims to reduce wildfire risk and improve B.C.'s resilience to the impacts of natural hazard events.

The Ministry tracks progress towards this objective through performance measure 3.1, which monitors wildfire risk reduction activities taking place on Crown land, focusing on areas around communities and critical infrastructure.

Objective 3.2: Deliver excellence in natural hazard incident management and support strong, healthy land-based recovery

This objective focuses on the Ministry's efforts to improve natural hazard incident management and wildfire land-based recovery, which includes preparing for and responding to wildfire and natural hazard incidents, and repairing the land-base affected by a wildfire.

Key Strategies:

- Advance the action-oriented recommendations of the Premier's Expert Task Force on Emergencies in 2024 and beyond;
- Continue to make strategic investments in predictive technologies and capabilities to strengthen the Ministry's ability to anticipate and rapidly respond to wildfire events;
- In collaboration with First Nations governments, partners and interested parties, continue the development and implementation of a [wildfire land-based recovery](#) strategy to enhance ecosystem resilience and reduce future negative impacts from wildfire.

Discussion

Since 2017, unprecedented natural hazards have caused significant damage and destruction in the province and resulted in severe consequences for many people in British Columbia. The difficult work of recovery continues and is a priority for the Province, local and First Nations governments, and all those living in affected areas.

In October 2023, the Province launched the Premier's Expert Task Force on Emergencies to develop action-oriented recommendations on enhancing natural hazard emergency mitigation, preparedness, response and recovery in B.C. The Ministry plays an important role in transforming the task force's advice into actions that address key priorities related to emergency management and wildfire management in advance of the 2024 hazard season.

The Ministry is also working to repair the land-base affected by wildfire and wildfire suppression activities, including restoration to an acceptable level or, when feasible, improving sustainability and resiliency of the landscape to reduce vulnerability and future negative impacts by wildfire.

In addition, the Ministry is taking steps to further evolve the BC Wildfire Service into a year-round multi-hazard preparedness and response organization. This includes working with

municipalities and First Nations to improve coordinated response through the development of a Wildfire Emergency Response Strategy for B.C. that improves the transparency of BC Wildfire policies, workflows, and procedures and strengthens a partnership-based approach to wildfire response.

The Ministry monitors progress towards this objective through performance measure 3.2, which tracks the Ministry’s obligation to recover the land-base affected by wildfire suppression activities.

Performance Measures

Performance Measure	2020/21 Baseline	2023/24 Forecast	2024/25 Target ¹	2025/26 Target ¹	2026/27 Target ¹
3.1 Area treated with the priority objective of reducing wildfire risk in and around communities and critical infrastructure (ha)	3,000	4,500	5,000	9,000	9,000

Data source: BC Wildfire Service

¹Includes fuel management activities completed by the Forest Enhancement Society of BC (FESBC), as reported in the FESBC 2024/25-2026/27 Service Plan.

Discussion

With the ever-increasing frequency and severity of wildfires in B.C., proactively mitigating the effects of wildfire on public lands around communities is a priority for the Ministry.

Through the BC Wildfire Service, the Community Resiliency Investment Program funds wildfire risk reduction activities including cultural and prescribed fire, fuel management planning and treatments, and wildfire risk reduction activities targeting critical infrastructure such as government owned radio repeaters, weather stations, and airtanker bases. The BC Wildfire Service uses its Wildland Urban Interface (WUI) Risk Class Framework to support and prioritize these wildfire risk reduction initiatives and improve public safety.

Performance measure 3.1 is new to the 2024/25 service plan, and reports the area of completed fuel management activities with a primary objective of reducing wildfire risk by modifying forest fuel attributes around communities. The targets are set using a trend-based analysis, and data is collected through various programs and initiatives such as BC Wildfire Service spatial databases.

In the short to medium-term, targets reflect the planning activities (Community Wildfire Resiliency Plans, WUI Wildfire Risk Reduction Plans and Fuel Management Prescriptions) needed before operational fuel management activities can take place. Over the longer term as the program evolves, a percentage of hectares treated will be maintenance (e.g. prescribed fire, brushing to manage surface fuel) of existing fuel breaks to ensure they maintain effectiveness.

Performance Measure	2020/21 Baseline	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
3.2 Rehabilitation plans created for wildfires that require rehabilitation treatment	80%	85%	90%	95%	100%

Data source: BC Wildfire Service

Discussion

Wildfire Land-Based Recovery was added as a new program to the BC Wildfire Service in 2023, as the fourth pillar of emergency management. Wildfire Land-Based Recovery is a phase of emergency management in which steps are taken to repair the land-base affected by a wildfire itself and wildfire suppression activities.

Government's Wildfire Land-Based Recovery process is intended to reduce the negative impacts of select wildfires. One of the areas of work is wildfire suppression rehabilitation, which is a form of deactivation, specific to fire suppression activities. The amount of fire suppression activities can range from 100 to 5,000 km of disturbances annually, and rehabilitation project completion is a year-round effort.

This performance measure is new to the 2024/25 service plan. It tracks the Ministry's creation of wildfire rehabilitation plans in areas affected by wildfire suppression activities, including creation of fireguards, modified roads, trails, and handguards constructed during a wildfire response. Targets are set based on an average fire season and are tracked closely by the BC Wildfire Service. Rehabilitation plans prescribe treatments to address detrimental impacts to the land during wildfire suppression while promoting ecosystem resiliency. The Ministry collaborates with First Nations communities, especially when it comes to planning and implementing rehabilitation works on Crown land.

Goal 4: Sustainable Forest Stewardship for All Values

The Ministry is dedicated to ensuring that the economic benefits, recreational opportunities, and cultural significance associated with B.C.'s forests, rangelands, and heritage resources are responsibly managed and preserved for future generations.

Some strategies under this goal have changed from previous service plans due to the transfer of responsibilities pertaining to fish, wildlife, habitat, and species-at-risk to the Ministry of Water, Land and Resource Stewardship. The previous performance measure reporting the timely completion and publication of Annual Regulation Cycle per category for fish and wildlife was also removed as a result of this change.

Objective 4.1: Revitalize and protect B.C.'s forests, and strengthen climate change mitigation and adaptation activities

The [Intergovernmental panel on climate change](#) recognizes that land management is critical for mitigating climate change and its impacts. In this context, strengthening B.C.'s ability to mitigate and adapt to climate change continues to be an important objective for the Ministry.

Through this objective, the Ministry is advancing towards its goal of sustainable natural resource management while taking steps to protect B.C.'s forests by fostering innovative management activities, modernizing forest policies to include Indigenous Peoples' perspectives, and strengthening the resiliency of B.C.'s forests to climate change.

Key Strategies

- Invest in forest management activities that reduce emissions, enhance carbon sequestration, and rehabilitate and restore forests, such as reforestation, improving fibre utilization, planting higher densities, forest health treatments, and expanding fertilization;
- Continue to develop, update, and implement Climate Action Plans to incorporate climate adaptation and mitigation strategies into the Ministry's core businesses using the latest climate science, data, and Indigenous knowledge;
- Develop a Climate Adaptation Policy Framework to underpin the Ministry's climate policies, strategies, and priorities, and guide legislative and regulatory amendments to enable the consideration of climate risks and data in Ministry decision-making and operations;
- With support from the Minister of Water, Land and Resource Stewardship, work together with First Nations to complete work to improve the protection and stewardship of forest resources, habitats, biodiversity, and cultural heritage in the [Great Bear Rainforest agreement](#).

Discussion

Through the Forest Investment Program, the Ministry is investing in fertilization, reforestation, tree improvement, and road rehabilitation to increase carbon sequestration, and is encouraging better use of wood fibre to reduce slash pile burning. The Ministry's efforts towards climate action and implementation planning include developing strategies, tools, and guidance to manage climate risks and support operational decision-making and climate policy development. Through research, education, policy, and decision support tools, the Ministry works to incorporate climate change information into its natural resource assessment, planning, and development initiatives with the goal of creating resilient communities and ecosystems.

The Ministry monitors progress through performance measure 4.1, which tracks how the Ministry's forest investment activities are reducing the province's greenhouse gas emissions. The Ministry is also working to implement the activities outlined in the forest bioeconomy pathway of the CleanBC Roadmap to 2030, including advancing the manufacturing and

markets for B.C. bioproducts. In 2024/25 the Ministry is developing and completing public engagement on a Climate Adaptation Policy Framework, a strategic anchor underpinning the Ministry's climate policies, strategies, and priorities.

Objective 4.2: Deliver effective and collaborative forest and range management and planning to support ecosystem health

The Ministry is working to implement a transformative approach to forest stewardship in B.C. with First Nations, that supports healthy ecosystems, resilient communities and sustainable economies.

Key Strategies

- Advance forest landscape planning in B.C. through the development of regulation, policy, and guidance, that will effectively support new and existing government-to-government planning tables;
- Continue to strengthen and improve B.C.'s forest stewardship planning framework through transformation of the *Forest and Range Practices Act* to advance reconciliation with Indigenous Peoples and to help address local issues.

Discussion

Through the forest landscape planning framework, the Ministry is working with First Nations rights holders to establish legal direction for forestry practices – harvesting, roadbuilding and other investments - for the management of forest resource values within a planning area. Central to this new approach is working collaboratively with First Nations to co-develop plans, and engaging communities, forest tenure holders, and other interested parties. Development of forest landscape plans enables First Nations to partner in the development of operational plans that direct forest management and operations in their territories.

The Ministry monitors progress towards this objective through performance measure 4.2, which tracks the phased implementation of forest landscape planning across B.C. Through the Declaration Act Action Plan progress reporting, the Ministry is also tracking the number of collaborative stewardship agreements, which includes collaborative forest landscape plan projects and the number of First Nations that are engaged.

Objective 4.3: Deliver exceptional research and scientific analysis to sustainably manage B.C.'s forests and natural resources

This objective relates to the Ministry's role of conducting science-based research and analysis that informs the development of policies and regulations that guide sustainable natural resource management and decisions.

Key Strategies

- Provide scientific expertise and analysis, and continue to invest in operationally relevant and innovative science-based research to guide resource management decisions;

- Advance the goals and priorities of the [Future Forest Ecosystem Centre 2023-2025 Strategic Plan](#), focusing on climate data, ecological forecasting, and capacity building;
- Work collaboratively with other ministries and agencies to collectively provide science that supports natural resource management;
- Enable forest carbon-offset projects on provincial public forest lands, and generate new scientific knowledge on forest carbon and climate change to support decision-making, and support changes in behavior and practices through education, outreach, and development of decision support tools.

Discussion

This objective ensures that the Ministry has the science-based information needed to inform the development of policies and programs that support durable natural resource management decisions that support environmental sustainability. The research delivered by the Ministry is operationally relevant and responsive to existing and emerging needs. On an annual basis more than 140 research projects provide critical information in key areas including climate change, old growth, timber supply, and forest health.

The Ministry’s research scientists communicate their work by [publishing in peer-reviewed journals, technical reports, and extension publications](#) with direct applicability to natural resource management. Through the Future Forest Ecosystems Centre 2023-2025 Strategic Plan, the Ministry is supporting the understanding of how climatic disruption will affect ecosystems by forecasting climate change impacts to B.C.’s forest ecosystems using scientific methods and data.

Performance Measures

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target	2026/27 Target
4.1 Greenhouse gas emissions reduced or sequestered through forest investment activities (MtCO ₂ e) ^{1,2}	2.0	2.0	2.0	2.0

Data source: Forest Carbon and Climate Services Branch

¹Emission reductions and sequestration delivered in the current fiscal year are measured in units of MtCO₂e (Millions Tonnes Carbon Dioxide Equivalent) and the cumulative benefits of each year’s activities are modeled up to the year 2050.

²Targets are based on funding commitments and may be adjusted in future plans.

Discussion

The performance measure tracks the cumulative greenhouse gas emissions reduced by 2050 resulting from investments in each fiscal year, demonstrating the impact of Ministry strategies to mitigate climate change risk and its effects. Estimates are updated annually to reflect changes in program delivery, impacts of disturbances that occur after treatment, and methodological improvements.

Targets for this measure are set by assessing current and ongoing funding from multiple sources including the Forest Investment Program and CleanBC, as well as recoveries from the federal [2 Billion Trees program](#), and determining the greenhouse gas emissions reduced or sequestered through activities funded by these programs.

Performance Measure	2023/24 Forecast	2024/25 Target	2025/26 Target ³	2026/27 Target ³
4.2 Number of forest landscape plans initiated with First Nations through government-to-government agreements ¹	8 ²	3	TBD	TBD

Data source: Office of the Chief Forester.

¹This performance measure was tracked under Goal 2 in the 2023/24 – 2025/26 service plan.

²Four pilot projects were also initiated in 2020/21, and work continues to complete those projects.

³Targets for 2025/26 and 2026/27 will be determined over the course of 2024/25, based on resourcing and other criteria.

Discussion

Forest landscape planning was introduced in Bill 23, the *Forest Statutes Amendment Act* in November 2021 as a new forest management planning regime under the *Forest and Range Practices Act* that will replace the existing [Forest Stewardship Plans](#) regime over time. Forest landscape plans will be integral in delivering on the recommendations of the Old Growth Strategic Review.

Conducted in partnership with First Nations governments and in collaboration with forest and range tenure holders, forest landscape plans provide legal direction for where and how forest management activities, such as timber harvesting, road layout, and silviculture activities, can occur on the land-base, for the 10-year life of the plan. These plans will also address values such as climate change adaptation and mitigation, old growth management, species-at-risk and wildlife habitat, wildfire risk reduction and wildfire resiliency management, recreation, cultural values, and watershed health.

This performance measure tracks the Ministry’s efforts to successfully engage with First Nations on this initiative, which is a first critical step towards implementing forest landscape plans across B.C. Priorities for new projects are identified in collaboration with First Nations partners and natural resource sector ministries, and are considered initiated once a government-to-government agreement has been signed by both parties. Four forest landscape plan pilot projects are currently underway in partnership with First Nations, communities, and the forest sector, which will help inform future forest landscape planning processes. In early 2023 the Ministry identified resourcing to support eight new Forest Landscape Plans projects over a three-year period, and initiated engagement with First Nations build agreement on priority areas. As of November 2023, agreements were reached on five new forest landscape plans projects, and discussions are underway to confirm the remaining three.

Financial Summary

(\$000s)	2023/24 Restated Estimates ¹	2024/25 Estimates	2025/26 Plan	2026/27 Plan
Operating Expenses				
Forest Resiliency and Archaeology	3,309	3,690	3,720	3,720
Integrated Resource Operations	53,424	58,468	58,468	58,468
Office of the Chief Forester	134,568	131,111	131,111	131,111
Timber, Range and Economics	11,264	11,781	11,781	11,781
Fire Preparedness	45,437	46,992	46,992	46,992
Regional Operations	97,770	102,551	102,520	102,520
Executive and Support Services	58,520	59,400	59,401	59,401
Fire Management	204,120	232,736	238,047	238,047
BC Timber Sales Account	236,929	203,941	219,056	235,928
Total	845,341	850,670	871,096	887,968
Capital Expenditures				
Executive and Support Services	35,749	55,448	34,948	34,948
Fire Management	16,000	16,000	13,500	11,001
BC Timber Sales Account	41,107	54,095	49,693	47,362
Total	92,856	125,543	98,141	93,311
Other Financing Transactions				
BC Timber Sales Account Disbursements	89,131	106,017	107,238	97,934
BC Timber Sales Account Receipts	(0,000)	(0,000)	(0,000)	(0,000)
Total Disbursements	89,131	106,017	107,238	97,934
Total Receipts	(0,000)	(0,000)	(0,000)	(0,000)
Total Net Cash Requirements (Source)	89,131	106,017	107,238	97,934

¹ For comparative purposes, amounts shown for 2023/24 have been restated to be consistent with the presentation of the 2024/25 Estimates.

* Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

Forest Practices Board Resource Summary

The Forest Practices Board (the board) independently monitors and reviews forest and range practices in B.C.'s public forests and rangelands. The Board audits both tenure holders and government ministries for compliance with forest and range practices legislation, carries out special investigations and issues reports as appropriate, investigates concerns and complaints from the public, and participates in appeals to the [Forest Appeals Commission](#). It informs both the B.C. public and the international marketplace of forest and range licensees' performance in carrying out sound practices and complying with legal requirements.

The Board's mandate is provided by the *Forest and Range Practices Act* and the *Wildfire Act*. While the Board operates independently from the Ministry of Forests, its budget vote is the responsibility of the Minister. The Board reports its accomplishments and priorities through an annual report that can be at: www.bcfpb.ca.

Forest Practices Board	2023/24 Restated Estimates ¹	2024/25 Estimates	2025/26 Plan	2026/27 Plan
Operating Expenses (\$000)				
Total	3.986	3.991	3.991	3.991

¹ For comparative purposes, amounts shown for 2023/24 have been restated to be consistent with the presentation of the 2024/25 Estimates.

*Further information on program funding and vote recoveries is available in the [Estimates and Supplement to the Estimates](#).

Appendix A: Public Sector Organizations

As of February 2024, the Minister of Forests is responsible and accountable for the following organizations:

Coastal Logging Equipment Support Trust

The purpose of the Coast Logging Equipment Support Trust is to help eligible contractors that are negatively impacted by the ongoing labour dispute between the United Steel Workers and Western Forest Products, and the continued weakness in key markets for lumber and limited access to logs.

Forest Enhancement Society of British Columbia

The purpose of the Forest Enhancement Society of British Columbia (FESBC) is to identify and fund projects that advance the environmental and resource stewardship of British Columbia's forests.

Forest Practices Board

The Forest Practices Board provides independent oversight of tenure holders' and government ministries' compliance with the *Forest and Range Practices Act* and the *Wildfire Act* through monitoring and reviewing forest and range practices in B.C.'s public forests and rangelands.

Managed Forest Land Council

The Managed Forest Council is an independent provincial agency established under the *Private Managed Forest Land Act*. The objective of the Council is to encourage forest management practices on private managed forest land in B.C., taking into account the social, environmental, and economic benefits of those practices.

Timber Export Advisory Committee

The Timber Export Advisory Committee provides recommendations to the Minister regarding the export of timber originating from lands within British Columbia that is regulated for manufacture in British Columbia by the Government of British Columbia.

Forest Enhancement Society of BC

2024/25 – 2026/27 Service Plan

February 2024



For more information on the Forest Enhancement Society of BC contact:

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<https://fesbc.ca/>

Published by the Forest Enhancement Society of BC

Board Chair's Accountability Statement



The 2024/25 – 2026/27 Forest Enhancement Society of BC (FESBC) Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. This plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of this plan and is responsible for the validity and reliability of the information presented.

All significant assumptions, policy decisions, events and identified risks, as of February 9, 2024 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, FESBC's mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of FESBC's operating environment, forecast conditions, risk assessment and past performance.

Signed on behalf of the Board by:

A handwritten signature in cursive script, appearing to read "Dave Peterson".

Dave Peterson
Board Chair, Forest Enhancement Society of BC
February 9, 2024

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Strategic Direction

In 2024/25, public sector organizations will remain focused on providing the services and infrastructure that people depend on to build a good life. Public sector organizations will continue to support Government in delivering results that matter to British Columbians including helping people with costs, attainable and affordable housing, strengthened health care, safer communities, and a secure, clean and fair economy. Public sector organizations will also continue to work closely with Government as it works collaboratively with Indigenous Peoples to implement the Action Plan for the Declaration on the Rights of Indigenous Peoples Act and delivers initiatives that advance reconciliation in ways that make a difference in communities throughout the province.

This 2024/25 service plan outlines how the Forest Enhancement Society of BC will support the government's priorities and selected action items identified in the most recent Forest Enhancement Society of BC [Mandate Letter](#).

Purpose of the Organization and Alignment with Government Priorities

FESBC contributes to the achievement of Government's strategic priorities through the delivery of its constitutional purposes:

- Prevent and mitigate the impact of wildfire,
- Improve damaged or low-value forests,
- Support the use of fibre from damaged and low-value forests,
- Improve habitat for wildlife, and
- Treat forests to improve the management of greenhouse gas (GHG) emissions.

FESBC operates on a proponent-driven model, periodically inviting project funding applications which are then reviewed with input from the Ministry of Forests. Technical staff ensure project proposals are aligned with FESBC's purposes and the provincial government's priorities. FESBC works with service delivery partners to ensure project implementation and treatment on the land base is timely, efficient and provides value for money.

FESBC is supporting projects that mitigate wildfire risks to communities, including reducing fuel loads in dense forests adjacent to communities and infrastructure through various fuel reduction treatments, and when feasible, the residual fibre that is created from these projects is utilized for energy and other forest products rather than burned.

FESBC is also continuing to support projects that increase the use of low-value or residual fibre including trees damaged by recent wildfires and waste left on site after logging that would otherwise be burnt. These projects will be implemented throughout rural B.C. and will meaningfully impact both Indigenous and non-Indigenous communities by helping build

prosperous and sustainable economies even as the timber supply continues to decline. By implementing these projects, FESBC partners will be leading the way in developing the knowledge and experience required to create a low carbon forest industry while also supporting the achievement of provincial and federal climate change objectives, including those identified in the Province's [CleanBC](#) plan.

Many of the forest enhancement projects funded by FESBC achieve multiple objectives. When reviewing project proposals, FESBC places a higher priority on projects that address more than one of the purposes articulated in FESBC's constitution.

FESBC will continue to ensure successful and efficient completion of projects. Effective and diligent oversight of projects will ensure FESBC continues to align with the Province's strategic priorities of putting people first, meaningful reconciliation with Indigenous Peoples, and supporting a strong, sustainable economy in B.C. FESBC will continue to communicate its plans and achievements to stakeholders and the general public, recognizing the contributions by the provincial government and Ministry of Forests staff to the success of the program.

FESBC supports the implementation of the [Declaration on the Rights of Indigenous Peoples Act](#), the United Nations Declaration of the Rights of Indigenous Peoples (UNDRIP), and the objectives outlined in the Province's [Stronger BC for Everyone: B.C.'s Economic Recovery Plan](#). Projects approved through FESBC support increased Indigenous Peoples' participation in the forest economy, and produce an array of environmental, economic and social benefits. With a deep connection to the land and their multi-generational perspectives on sustainability, Indigenous Peoples are leading or are involved in a majority of the projects that protect communities from wildfire and, reduce greenhouse gases by utilizing low-value fibre.

Operating Environment

FESBC continues to innovate and redefine the forest sector which is creating jobs, government revenue and new business opportunities in rural B.C. FESBC-funded projects play an important role in supporting B.C.'s rural and forest-dependent communities including contractors and workers impacted by the current economic challenges.

Climate change continues to have a significant influence on wildfire activity, with 2023 being the worst wildfire season on record in B.C. New funding in *Budget 2024* will support proactive wildfire risk reduction treatments and continued support for the [FireSmart](#) program both of which help to mitigate the negative impact of wildfires on rural and Indigenous communities. Wildfire risk reduction treatments such as thinning or spacing trees and removing dead and down material in the forest understory, result in restoring a forest structure that is more resilient to climate change and fire and hydrologically stable in the long term. The recovery and utilization of low-grade residual fibre resulting from wildfire risk reduction activities are also a priority for funding, as any waste fibre that is directed for use as opposed to open burning presents an opportunity to reduce B.C.'s carbon footprint.

In the face of significant damages caused by recent wildfire seasons, FESBC proponents are receiving the local support needed to complete wildfire risk reduction projects, with

implementation and completion of these projects being a priority for many communities across B.C. Contractors, however, are struggling to find qualified staff to implement projects. At the same time, with limited term to wildfire contracts and uncertain economic conditions, they are carefully considering whether to make long-term capital investments to strengthen and diversify their businesses. A funding commitment by government over three fiscal years will help to address this uncertainty.

FESBC has seen significant interest by proponents to make use of low-value fibre that is too far away from facilities. Through funding received with *Budget 2024*, FESBC will continue to support these projects in 2024/25 and beyond. FESBC-funded utilization projects are spread throughout the province with secondary manufacturing facilities, including those that produce pulp, pellets and energy, benefiting from increased deliveries as their economic limit is expanded. However, the forest industry has seen significant pressures on the secondary or low-value fibre supply chain caused by prolonged and severe wildfire seasons, and sawmill curtailments. Deteriorating global pulp markets may lead to prolonged shutdowns or curtailments at some pulp mills, which may reduce demand in the short term. Collectively these pressures may impact FESBC partners' ability to deliver low-value fibre.

To ensure FESBC projects are completed on time and bring the desired benefits to the citizens and communities in B.C., FESBC is committed to delivering on the Province's direction to implement enhanced and rigorous project management systems to track and quantify the benefits of these investments in B.C.

Annual Economic Statement

B.C.'s economy posted modest growth last year as interest rate increases weighed on the economy, and employment continued to expand, supported by immigration. Inflation in the province continued to ease and the Bank of Canada has not raised its policy interest rate since July 2023. The impact of higher rates on borrowing costs and elevated household debt led to lower consumer spending and reduced home sales. Lumber, natural gas and coal prices declined in 2023, reducing the value of the province's goods exports. Meanwhile, there was a record number of housing starts in the province in 2023. There is uncertainty over the transmission of high interest rates to the residential construction sector and the duration of slower growth for the rest of the economy in B.C. and among our trading partners. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 0.9 per cent in 2023 and expects growth of 0.5 per cent in 2024 and 2.1 per cent in 2025. Meanwhile for Canada, the EFC estimates growth of 1.1 per cent in 2023 and projects national real GDP growth of 0.5 per cent in 2024 and 1.9 per cent in 2025. As such, B.C.'s economic growth is expected to be broadly in line with the national average in the coming years. The risks to B.C.'s economic outlook continue to center around interest rates and inflation, including the risk of price increases stemming from geopolitical conflicts, the potential for interest rates remaining higher for longer, and uncertainty around the depth and timing of the impact on housing markets. Further risks include ongoing uncertainty regarding global trade policies, lower commodity prices, climate change impacts and the volatility of immigration levels.

Performance Planning

Goal 1: Prevent and Mitigate the Impact of Wildfire

Fire is a natural and essential ecological process in some of British Columbia's forests. Balancing the potential benefits with the inherent risks of fire on the landscape is becoming increasingly challenging, especially within the context of climate change. Returning forests to their normal historical fire regimes can minimize negative impacts from future wildfires.

Objective 1.1: Enhance wildfire risk reduction activities for B.C. communities

Implementing effective fuel management treatments on the land base begins with identifying at-risk forested areas adjacent to critical infrastructure, then developing treatment plans that will assist in modifying wildfire behavior through various thinning treatments. These fuel management treatments can improve ecosystem resilience to fire, insects, and future impacts from climate change. The strategy of returning forests to their normal historical fire regimes through treatments can also minimize future extreme wildfire effects.

Key Strategies

- Work with the Ministry of Forests to implement strategic wildfire risk management priorities and opportunities,
- Coordinate and support the effective delivery of funds for wildfire prevention planning and fuel management treatments near higher-risk communities and critical infrastructure,
- Optimize the recovery and utilization of low-value residual fibre resulting from wildfire risk reduction treatments, and
- Support the delivery of the [Community Resiliency Investment \(CRI\)](#) program in cooperation with existing agencies including Ministry of Forests, Union of BC Municipalities (UBCM), and the First Nations Emergency Services Society (FNESS) of British Columbia.

Discussion

This objective supports progress towards FESBC's goal of preventing and mitigating the impact of wildfire through investments in fuel management treatments. FESBC works collaboratively with provincial agencies, local governments, Indigenous communities and partners, and rural communities to support both risk reduction and mitigation activities associated with wildfires. Projects include removing dead and down material, thinning and pruning forests adjacent to communities and valuable infrastructure to reduce fire behavior, thinning forests adjacent to strategically important public roads, and thinning forests to create landscape level fuel breaks. In addition to these fuel management treatments, planning work is being completed that will form the basis of future treatment projects.

To ensure wildfire reduction and prevention treatment activities are the most effective use of resources on the land-base, FESBC invests in fuel management treatment plans. The operational planning and accompanying prescriptions are prerequisites to completing wildfire reduction and prevention treatment activities. FESBC proponents must follow Crown Land Wildfire Risk Reduction Program standards as outlined in the [BCWS Tools for Fuel Management](#).

FESBC ensures progress towards this goal through the tracking of approved fuel management treatment activities, analyzing volumes of residual fibre being utilized from those activities, and by approving projects where wildfire risk reduction activities are taking place near higher-risk communities.

Performance Measures

Performance Measure	2023/24 Forecast ¹	2024/25 Target ^{2, 3}	2025/26 Target ²	2026/27 Target ²
1.1 Priority area of fuel management treatment activities completed (hectares)	8,200	5,450	2,100	2,650

Data source: PwC financial data, FESBC Information Management System (FESIMS) Data, and FESBC staff input

¹Forecast for 2023/24 is based on actual and projected work to be completed as entered into FESIMS.

²Targets are based on proponent project plan data entered into FESIMS, estimates by FESBC staff, and reflect Budget 2024 funding.

³2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

Performance measure 1.1 demonstrates progress towards FESBC's goal of preventing and mitigating the impact of wildfire through investments in fuel management treatments. Treatments include removing excessive fuel on the forest floor, thinning forests, pruning trees, and abating the wildfire risk from the fibre that is produced from these activities.

Targets are determined using project plans submitted by proponents into the Forest Enhancement Society Information Management System (FESIMS), in consultation with FESBC staff. PricewaterhouseCoopers (PwC) provides third party oversight of FESIMS and project management services to ensure projects are being completed to a high standard. Activities are also field verified by both FESBC and PwC staff.

Performance Measure	2023/24 Forecast	2024/25 Target ^{1, 2}	2025/26 Target ¹	2026/27 Target ¹
1.2 Volume of residual fibre utilized from wildfire risk reduction activities (cubic metres)	34,000	8,000	4,000	4,000

Data source: FESBC Information Management System (FESIMS) Data and FESBC staff

¹Targets are based on best estimates informed by historic information, and reflect Budget 2024 funding.

²2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

Performance measure 1.2 reflects Government’s priority to maximize the economic and emissions avoidance benefits of utilizing residual fibre resulting from wildfire risk reduction treatment activities. Where an investment in transportation will enable the shipment of low-value fibre to a secondary manufacturing facility, serving as an alternative to burning this material on site to abate the fire hazard, proponents are supported financially to do so. The avoided emissions are measurable and have a positive benefit to the atmosphere.

Information submitted by proponents is used to calculate the avoided GHGs from the utilization of the fibre. Actual reported volumes of fibre utilization are measured at the destination facility.

As with performance measure 1.1, targets are based on project information entered into FESIMS in consultation with FESBC staff. PricewaterhouseCoopers (PwC) provides third party oversight of FESIMS and project management services to ensure projects are being completed to a high standard. Activities are also field verified by both FESBC and PwC staff.

Performance Measure	2023/24 Forecast	2024/25 Target^{2, 3}	2025/26 Target²	2026/27 Target²
1.3 Number of higher-risk communities with wildfire risk reduction activities ¹	44	40	25	25

Data source: FESBC Information Management System (FESIMS) Data and FESBC staff

¹Higher-risk communities include: Indigenous communities, municipalities and unincorporated areas within regional districts located within the Wildland Urban Interface.

²Targets reflect Budget 2024 funding.

³2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

Performance measure 1.3 demonstrates how broadly FESBC-funded wildfire risk reduction activities are being implemented across the province by reporting how many communities have active projects in a reporting period. Wildfire prevention activities include planning, community engagement, the thinning, pruning and abatement of fuel in some cases by utilizing fibre. In addition to the communities reported, smaller unincorporated communities will also benefit from work completed under this goal but may not be captured in this measure.

Targets are based on project information entered into FESIMS, in consultation with FESBC staff. PricewaterhouseCoopers (PwC) provides third party oversight of FESIMS and project management services to ensure projects are being completed to a high standard. Activities are also field verified by both FESBC and PwC staff.

Goal 2: Increase Utilization of Low-Value Forest Residuals

This goal supports FESBC’s purposes related to supporting the use of fibre from damaged and low-value forests and treating forests to improve the management of greenhouse gases.

Utilizing fibre that would otherwise be burnt helps the forest industry capitalize on the opportunities that low-value fibre can provide. The utilization of this fibre is an important part of how B.C. is redefining the future of forest management.

Objective 2.1: Encourage diversity and innovation by the forest sector to utilize uneconomic waste fibre

Through providing support such as funds for the additional transportation costs needed to have this material shipped to secondary forest products facilities, FESBC is creating more opportunities for fibre utilization and recovery in B.C. Partnerships with the secondary industry and harvesting contractors will help preserve forest sector jobs while making a significant contribution to the forest industries' efforts to reduce GHG emissions related to forest management activities.

Key Strategies

- Fund only the differential between the cost of operations and the market value of the product,
- Track volumes and calculate the avoided emissions realized from these projects to report out the environmental benefits of the program, and
- Support all secondary manufacturing facilities including pulp mills, cant mills, pellet mills and energy complexes and small tenures holders and contractors that are eligible for funding, provided the fibre they are procuring meets the eligibility criteria including those related to costs.

Discussion

Fibre from conventional timber harvesting that is not economic to use, is usually piled and burned in the forest. The fibre is uneconomic due to it being too small to make higher-value wood products such as lumber, it can have defects such as rot, large knots, is crooked, or the distance to facilities that will accept this wood is too far and thus expensive to transport. Strategies under this objective focus on delivering low-value fibre to the secondary forest product manufacturing industry in a way that ensures the integrity of normal competitive fibre markets is upheld. FESBC funding is eligible only for the differential between the actual costs of using the fibre and the fair market value.

FESBC works with proponents to determine whether an opportunity is warranted based on the financial scenario of a potential fibre source, including the fair market value of the fibre and the anticipated costs to deliver the fibre. The delivered log and fibre information, the products made at the receiving sites and other project specific data is used to calculate the reduction of carbon emissions that are realized by the avoidance of slash pile burning.

As a result of this work, FESBC seeks to normalize higher levels of forest fibre utilization by, fostering investment confidence in capital equipment, training a stable workforce, and promoting reliable fibre flows. In addition, the volume of work helps support operational efficiencies for proponents, that will drive down unit costs over time. FESBC has developed targets and cost benchmarks that identify maximum investment levels.

Performance Measures

Performance Measure	2023/24 Forecast ¹	2024/25 Target ^{2, 3}	2025/26 Target ²	2026/27 Target ²
2.1 Forest fibre utilized (cubic metres)	2,040,000	1,500,000	320,000	300,000

Data source: FESBC Information Management System (FESIMS) Data and FESBC

¹Forecast based on delivered and estimated volume.

²Targets are based on estimated delivery costs and inflation estimations, and reflect Budget 2024 funding.

³2024/25 target also includes projects initiated in 2023/24 using funding provided by Government from prior fiscal years.

Discussion

This performance measure tracks the amount of low-value fibre that FESBC expects to transport to achieve higher levels of utilization of waste or residual fibre. Applicants are planning to deliver fibre to a host of secondary receiving sites where the material will be made into pulp, energy and pellets products. It is estimated that 70% will be delivered to pulp mills, 20% to energy facilities and 10% to pellet mills which are located throughout the province.

The 2023/24 forecast is based on the approved unit costs that were submitted by applicants. Targets for 2024/25 – 2026/27 are based on a combination of approved known volume, and estimates of new volume that will be approved from funds received through Budget 2024.

Goal 3: Improve Habitat for Wildlife

British Columbia's wildlife is diverse and abundant. However, some wildlife populations and their habitats are in decline due to habitat loss, increasing human population, resource development and climate change. Many of the forest enhancement projects funded by FESBC achieve multiple purposes, including wildlife habitat improvement. FESBC identifies and acts on targeted opportunities to improve wildlife populations and their habitat in collaboration with other organizations with wildlife management expertise. Existing projects under this goal will be completed in 2024/25.

Objective 3.1: Improve terrestrial wildlife habitat and populations

Many species of wildlife provide environmental, economic, social, and cultural value to the people of British Columbia. Investing in projects that create well-connected and functioning habitats with properly functioning ecosystem processes, can have lasting impacts on wildlife populations.

Key Strategies

- Strive to achieve multiple benefits on all projects, including the improvement of wildlife habitat, gaining a better general understanding of wildlife species and their habitat specific requirements, and the gathering of information that will support durable forest management decisions, and

- Maintain the current agreement with the [Habitat Conservation Trust Foundation \(HCTF\)](#) to co-fund and collaborate on wildlife habitat improvement projects in B.C.

Discussion

Through its relationship with the HCTF, FESBC leverages technical expertise, and co-funds the highest priority and value-for-money projects to support achievement of FESBC’s wildlife habitat improvement goal. Through this co-funding agreement, all British Columbians benefit through an expanded scope of habitat improvement projects in the province, helping ensure suitable wildlife habitat is available and the abundance and distribution of wildlife in the province is maintained.

Project activities cover a host of wildlife conservation interests. Some examples include: habitat enhancement for Bighorn sheep, studying Western Screech-owls, and learning how logging debris accumulations in clearcuts support small mammal populations. Projects also involve community outreach and stewardship awareness for specific species such as bats and sharp-tailed snakes. Other proponents are funded to improve habitat for Western toads by building underpasses beneath roads while others are funded to introduce prescribed fire to restore ecosystems.

Performance Measures

Performance Measure	2023/24 Forecast ¹	2024/25 Target ¹	2025/26 Target ²	2026/27 Target ²
3.1 Funding allocated for improving wildlife populations and their habitat (dollars)	700,000	790,000	N/A	N/A

Data source: FESBC Letter of Agreement with HCTF dated March 11, 2019, HCTF annual approved project list, PwC Financials and FESIMS data.

¹Forecast and targets are based on associated FESBC financial forecasts and spending plans.

²FESBC’s co-funding to HCTF will cease as of 2025/26.

Discussion

This performance measure tracks the planned completion of FESBC co-funded projects and full utilization of the FESBC funding commitment to HCTF. Eligible proponents submit projects to HCTF who provide a well-established process for applications, technical review, and reporting. Projects that are most aligned with both the priorities of the HCTF and FESBC will be funded. HCTF administers all grants to completion.

Financial Plan

Funds granted to FESBC before May 2022 have mostly been spent. Those legacy projects still active will be completed in 2024/25. Spending on eligible activities in 2023/24 and 2024/25 fiscal years is related to the \$25 million provided by government in June of 2022 and \$50 million provided in May of 2023. As part of Budget 2024, FESBC has been provided with \$20 million annually, from 2024/25 to 2026/27, to spend on eligible projects that have been budgeted and planned.

Financial Summary

[\$000s]	2023/24 Forecast	2024/25 Budget	2025/26 Plan	2026/27 Plan
Revenues				
Contribution from the Province	50,500	51,071	20,000	20,000
Other Income	3,156	6,375	1,903	1,903
Total Revenue	53,656	57,446	21,903	21,903
Expenses				
Grants	50,500	53,575	19,022	18,997
Administrative	3,149	3,866	2,878	2,903
Capital Asset Management	7	5	3	3
Total Expenses	53,656	57,446	21,903	21,903
Annual Surplus (Deficit)	-	-	-	-
Total Debt	-	-	-	-
Accumulated Surplus (Deficit)	-	-	-	-
Capital Expenditures	-	-	-	-

Note: The above financial information was prepared based on current Generally Accepted Accounting Principles.

Key Forecast Assumptions, Risks and Sensitivities

The FESBC forecast is based on direction provided by government, mandates and priorities set for the Ministry of Forests, and funding granted and announced to date. Expenditure forecasts rely heavily on grant recipients' estimated completion timelines. FESBC strives to clearly outline its expectations, monitors projects against agreed upon milestones and works with grant recipients' dealing with unforeseen circumstances to mitigate risks of delayed projects.

Management's Perspective on Financial Outlook

FESBC will continue to closely monitor resources and expenditures to ensure funded projects are delivered in an efficient, timely and cost-effective manner. FESBC will continue to consider

on a go-forward basis the impacts of inflationary pressures on active projects. FESBC will work collaboratively and in a coordinated way to leverage partnerships, support the Ministry of Forests, the Ministry of Environment and Climate Change Strategy, the Ministry of Water, Land and Resource Stewardship and other Ministerial strategic priorities as applicable, to ensure alignment with key Government commitments and, while doing so, will manage expenditures accordingly.

Appendix A: Mandate Letter from the Minister Responsible

CABRO add.



June 15, 2023

Dave Peterson, Chair
Forest Enhancement Society of BC
101-925 McMaster Way
Kamloops, British Columbia V2C 6K2

Dear Dave Peterson:

On behalf of Premier Eby and the Executive Council, I would like to extend my thanks to you, your board members, and your organization's leadership, dedication, expertise, and service to the people of British Columbia.

Public sector organizations – including Crowns, Health Authorities and Post Secondary Institution Boards – support British Columbians by delivering vital public services and are accountable to the public through their responsible Minister. Your leadership in advancing and protecting the public interest strengthens trust in public institutions.

You are serving British Columbians at a time when people in our province continue to recover from and respond to the upheaval caused by the COVID-19 pandemic, an ongoing toxic drug crisis, climate-related natural disasters, and while global inflation is driving up costs. Now more than ever, we need to focus on building a prosperous, low-carbon, sustainable economy, and a province where everyone can find a good home – in rural areas, in cities, and in Indigenous communities.

This mandate letter, which I am sending in my capacity as Minister responsible for the Forest Enhancement Society of BC, sets out overarching principles relevant to the entire public sector and specific direction on priorities and expectations for your organization for the remainder of Government's term.

Government and public sector organizations must continue to advance results that people can see and feel in these key areas: strengthened health care, safer communities, attainable and secure housing, and a clean and fair economy that delivers affordability and prosperity.

In doing so, you will continue working towards lasting and meaningful reconciliation by supporting opportunities for Indigenous Peoples to be full partners in the province we are building together, and delivering on specific commitments as outlined in the *Declaration on the Rights of Indigenous Peoples Act* action plan.

As required by the *Climate Change Accountability Act*, please ensure your organization implements targets and strategies for minimizing greenhouse gas emissions, and managing



climate risk, including achieving carbon neutrality each year and aligning with the CleanBC target of a 50% reduction in public sector building emissions and a 40% reduction in public sector fleet emissions by 2030. Your organization is expected to work with government to report out on these plans and activities as required by legislation.

Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic, and present-day, barriers that limit their full participation in their communities, workplaces, government and their lives. The public sector has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every public sector organization has a role in this work. As part of this work, your organization is expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure gender equity is reflected in your operations and programs.

British Columbians expect that public sector organizations operate in a responsible manner to deliver quality services equitably in all regions of the province. This requires strategic stewardship of planning, operations, and policies in the areas of financial, risk, and human resource management including information security and privacy protection.

The protection of government data and networks is a priority, especially where it concerns personal information of British Columbians. Public sector organizations must maintain up to date systems and effective cybersecurity practices, including maintaining current information management and cybersecurity policies, guidelines and standards; evaluating your organization against industry standards; and maintaining appropriate security and privacy practices. The Office of the Chief Information Officer within the Ministry of Citizens Services is available to support and offer guidance to your organization in any of these areas.

Public sector organizations must also implement and maintain an effective fraud risk management strategy. The Office of the Comptroller General and the Risk Management Branch in the Ministry of Finance is available for consultation.

The Crown Agencies Secretariat (CAS) in the Ministry of Finance supports public sector organizations to operate effectively, in the public interest, and aligned with government's strategic direction and priorities. Within CAS, the Crown Agencies and Board Resourcing Office (CABRO) will continue to support you and your board on recruitment, appointments and professional development, as well ensuring Board composition and governance reflects the diversity of our province. CAS can support you in public sector governance best practices, policy and planning.

In addition to continuing to make progress on your 2021 mandate letter, I expect you to ensure the important priorities and areas of focus listed in this letter are incorporated into the practices



of your organization, and develop plans to address the following new priorities within your approved budget:

- Identify and fund projects that increase the use of low-value or residual fibre including trees damaged by recent wildfires and waste 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 the mountain pine beetle epidemic.
- Support projects that mitigate wildfire risks, leading to better protection of communities, reduced greenhouse gas emissions and improved resiliency of B.C.'s forests to the impacts of climate change.

Each board member is asked to sign this letter to acknowledge this direction from government to your organization. The signed letter is to be posted publicly on your website by summer 2023.

I look forward to continuing to work with you and your Board colleagues to meet the high standards set for us by all British Columbians.

Sincerely,

Date: June 15, 2023

Minister

Enclosure

cc: Honourable David Eby, KC
Premier

Shannon Salter
Deputy Minister to the Premier, Cabinet Secretary and Head of the BC Public Service

Heather Wood
Deputy Minister and Secretary to Treasury Board
Ministry of Finance

Mary Sue Maloughney
Associate Deputy Minister, Crown Agencies Secretariat
Ministry of Finance



Rick Manwaring
Deputy Minister
Ministry of Forests

Ken Day, Board Member, Forest Enhancement Society of BC
Trish Dohan, Board Member, Forest Enhancement Society of BC
Sarah Fraser, Board Member, Forest Enhancement Society of BC
Mike P. Kelly, Board Member, Forest Enhancement Society of BC
John Massier, Board Member, Forest Enhancement Society of BC
Ian Meier, Board Member, Forest Enhancement Society of BC
Steve Kozuki, Executive Director, Forest Enhancement Society of BC

Dave Peterson
Chair
Forest Enhancement Society of BC
Date: June 16, 2023

Ken Day
Board Member
Forest Enhancement Society of BC
Date: June 16, 2023

Trish Dohan
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023

Sarah Fraser
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023



Mike P. Kelly
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023

John Massier
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023

Ian Meier
Board Member
Forest Enhancement Society of BC
Date: June 15, 2023

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Budget 2024 Summary
Revised: February 13, 2023

Issue: Budget 2024 Summary – Operating and Capital

Response:

- The Ministry full operating budget for 2024/25 is \$850.670M, which is an increase of \$5.329M (0.6 percent) from the 2023/24 Restated Estimates of \$845.341M. The increase is the result of budget lifts of \$9.701M in Ministry Operations and \$28.616M in Fire Management offset by a budget reduction of \$32.988M in BC Timber Sales.
- The Ministry capital budget for 2024/25 is \$125.543M, which is an increase of \$32.687M (35.2 percent) from the 2023/24 restated estimates. The increase is the result of funding increases to Ministry Operations (\$19.699M) and BCTS (\$12.988M).

Background/Status:

Operating Budget	2023/24 Restated Estimates (\$M)	2024/25 Estimates (\$M)	Increase (\$M)
Ministry Operations – net increase includes:			
• Forest Service Roads			3.897
• Forest Enhancement Society of BC*			20.000
• Minister of State*			0.252
• Shared Recovery Mandate			6.858
• Budget 2023 Decisions:			
Forest Service Roads			0.012
Permitting			0.891
Forest Enhancement Society BC			(25.000)
Climate Program and Adaptation Strategy			0.063
Shared Recovery Mandate			4.459

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

<ul style="list-style-type: none"> Shared Recovery Mandate transfer to Water, Lands, Resource Stewardship 			(1.731)
Total – Ministry Operations	404.292	413.993	9.701
BC Timber Sales Special Account – net decrease includes:			
<ul style="list-style-type: none"> Budget 2024 reduction to align with Performance Targets 			(31.178)
<ul style="list-style-type: none"> Budget 2023 Decisions: <ul style="list-style-type: none"> Budgets 2022 and 2023 reduction to align with Performance Targets Shared Recovery Mandate 			(2.873)
			1.063
Total – BC Timber Sales Special Account	236.929	203.941	(32.988)
Fire Management – increase includes:			
<ul style="list-style-type: none"> BC Wildfire Service Funding Request* 			27.638
<ul style="list-style-type: none"> Budget 2023 Decision <ul style="list-style-type: none"> Shared Recovery Mandate 			0.978
Total – Fire Management	204.120	232.736	28.616
Forest Stand Management Fund	-	-	-
Total	845.341	850.670	5.329
Percent Change			0.6%

Contact:

Sonja Martins

ADM

Corporate Services for
the Natural Resources

Phone: (250)
889-1774

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Ministers' Office
Revised: February 13, 2023

Issue: Summary of Ministers' Office Budget

Response:

- The Ministers' Office budget for 2024/25 increased by \$0.275M or 31.8% to \$1.139M.
- The increase is due to \$0.252M increase for the Minister of State for Sustainable Forestry Innovation and the government's shared recovery mandate for salary increases.

Contact:

Sonja Martins

ADM

Corporate Services for
the Natural Resources

Phone: (250)
889-1774

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Rebalancing Budget Transfer Summary
Revised: February 13, 2023

Issue: Forests/Water, Land Resource Stewardship Rebalancing Transfer Summary

Response:

- The creation of the new Water, Land and Resource Stewardship Ministry (WLRS) and the reorganization impacts to Ministry of Forests (FOR) were effective on April 1, 2022.
- Ministries continued reviewing Ministry service delivery and found that further changes were needed to align program areas in FOR and WLRS with their respective Ministry Mandates.
- On October 19, 2023, a rebalance was approved to move the administration of water, lands, fish and wildlife from FOR to WLRS.
- Total rebalancing budget transferred including Shared Recovery Mandate increase is \$81.507M per year.

Background/Status:

Budget Transfers to WLRS	2023/24 Restated Estimates	2024/25 Estimates	2025/26 Plan	2026/27 Plan
Aquatic / Fish Program Management	13.329	13.673	Advice/Recommendations; Government Financial Information	
Water Rental Remissions	0.001	0.001		
Contaminated Sites	5.340	5.340		
Land activities identified in the regions	21.281	21.281		
Water activities identified in the regions	26.570	26.226		
Overhead for Exec and Support Services	7.192	7.192		
Land Based Investment	4.714	4.714		

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Permitting	0.849	0.849	Advice/Recommendations; Government Financial Information
Shared Recovery Mandate		1.731	
Crown Land Special Account	0.500	0.500	
Total	79.776	81.507	

Contingency Transfers to WLRS	2023/24 Restated Estimates
Flood Management and Drought Resilience	4.554
Permitting	4.209
Blueberry River First Nations	3.500
Total	12.263

Contact:

Sonja Martins ADM Corporate Services for Phone: (250)
the Natural Resources 889-1774

Ministry of Forests
Estimates Debate Briefing Material
March 18-29, 2024

CONFIDENTIAL

Estimates Debate Briefing Material 2024

March 18-29, 2024

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Ministry of Forests - Budget 2024 Highlights

OPERATING BUDGET: (\$850.670M - an increase of \$5.329M or 0.6% from 2023/24 Restated)

The Ministry operating budget changes include:

Section A

Pre-Budget 2024 Decisions that decrease current Budget - (\$20.407M):

- o (\$19.575M) Net decrease in Ministry Operations based on: (\$25.000M) budget reduction for Forest Enhancement Society of BC (FESBC); \$4.459M approved lift for Shared Recovery Mandate; \$0.891M approved lift for Permitting; \$0.060M approved lift for the Climate Program and Adaptation Strategy and Clean BC; \$0.012M approved lift for Forest Service Roads; and \$0.003M approved budget lift for the Clean BC initiative.
- o \$0.978M Net increase to the Fire Management Vote for the Shared Recovery Mandate.
- o (\$1.810M) Net decrease in BC Timber Sales based on: \$1.063M approved lift for the Shared Recovery Mandate, \$2.873M budget reduction to align with 22/23 Performance Targets and Resource Requirements.

Section B

Inter-Ministry Program Transfers - (\$1.479M)

- o (\$1.731M) - Transfers to Water, Land, Resource Stewardship (WLRS)
- o \$0.252M - Transfer from Ministry of Post-Secondary Education and Future Skills

Section C

Budget 2024 Decisions - \$27.215M:

- o \$20.000M - Approved budget lift to Office of the Chief Forester for Forest Enhancement Society of BC
- o \$6.858M - Approved budget lift for the Shared Recovery Mandate
- o \$27.638M - Approved budget lift to Fire Management
- o (\$31.178M) - Approved reduction to align BC Timber Sales Budget with performance targets
- o \$3.897M - Approved budget lift for Forest Service Road Maintenance

CAPITAL BUDGET: \$125.543M (an increase of \$32.687M or 35.2% from 2023/24 Restated)

The Ministry capital budget changes include:

Section A

Pre-Budget 2024 Decisions that reduce current Budget - (\$2.956 M):

- o (\$3.301M) - Budget reduction for vehicle reprofiling
- o \$0.345M - Approved budget lift in BC Timber Sales due to an increase in road building.

Section B

Inter-Ministry Program Transfers - No Transfers

Section C

Budget 2024 Decisions - \$35.643 M:

- o \$20.500M - Approved budget lift to BC Wildfire for facilities
- o \$2.500M - Approved budget lift for Integrated Resource Operations for First Nations Community Access Roads
- o \$12.643M - Approved budget lift to BC Timber Sales to align with Performance Targets and Resource Requirements

FTEs and Staffing

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

Staff - Headcount as of January 16, 2024 was 2486. This number may change as the Forest to Water, Land, Resource Stewardship rebalance is reviewed and refined. This number also changes throughout the year, particularly in field and fire season, when additional staff are hired on a temporary basis.

Ministry of Forests - Ministry Summary - Operating

Three Year Budget 2024 Decisions from February 2023 Budget - Operating

\$ 000s

	2023/24 Estimates	2024/25 Estimates	2025/26 Plan	2026/27 Plan
A February 2023 Budget				
Vote 30 - Ministry Operations	483,568	463,993		
Vote 31 - Fire Management	204,120	205,098		
BC Timber Sales Special Account	236,929	235,119		
Crown Land Special Account	500	500		
Forest Stand Management Fund	-	-		
Total February 2023 Plan	925,117	904,710		
<i>Year-to-year change in 2023/24 Service Plan</i>		<i>(20,407)</i>		
B Inter Ministry Transfers				
T004070 - Transfer Aquatic / Fish Program Management to WLRS	(13,329)	(13,673)		
T004071 - Transfer Water Rental Remissions to WLRS	(1)	(1)		
T004072 - Transfer Contaminated Sites to WLRS	(5,340)	(5,340)		
T004073 - Transfer Land activities identified in the regions to WLRS	(21,281)	(21,281)		
T004074 - Transfer Water activities identified in the regions to WLRS	(26,570)	(26,226)		
T004075 - Transfer Overhead for Exec and Support Services - Water to WLRS	(3,040)	(3,040)		
T004076 - Transfer Overhead for Exec and Support Services - Land to WLRS	(4,152)	(4,152)		
T004077 - Transfer Land Based Investment - Water to WLRS	(1,248)	(1,248)		
T004078 - Transfer Land Based Investment - Lands to WLRS	(3,466)	(3,466)		
T004079 - Transfer Permitting- Water to WLRS	(363)	(363)		
T004080 - Transfer Permitting- Lands to WLRS	(486)	(486)		
T004081 - Transfer Shared Recovery Mandate - Lands - to WLRS		(727)		
T004082 - Transfer Shared Recovery Mandate - Water - to WLRS		(1,004)		
T004083 - Transfer Crown Land Special Account to WLRS	(500)	(500)		
T0040XX - Transfer from Ministry of Post-Secondary Education and Future Skills		252		
Total Inter Ministry Transfers	(79,776)	(81,255)		
C Budget Lifts and Reductions				
Lift for Fire Management Vote		27,638	32,949	32,949
Lift for Forest Enhancement Society of BC (Ministry Operations)		20,000	20,000	20,000
Lift for Forest Service Roads maintenance (Ministry Operations)		3,897	3,897	3,897
Lift for Shared Recovery Mandate (Ministry Operations)		6,858	6,858	6,858
Reduction to BCTS to align with Performance Targets and Resource Requirements		(31,178)	(24,219)	(7,347)
Total Budget Lifts and Reductions	-	27,215	39,485	56,357
Total February 2024 Budget	845,341	850,670	871,096	887,968
<i>Impact from Budget 24 Decisions</i>	<i>(79,776)</i>	<i>(54,040)</i>	<i>(41,770)</i>	<i>(24,898)</i>
	<i>(8.6%)</i>	<i>(6.0%)</i>	<i>(4.6%)</i>	<i>(2.7%)</i>
D February 2024 Budget				
Vote 30 - Ministry Operations	404,292	413,993	413,993	413,993
Vote 31 - Fire Management	204,120	232,736	238,047	238,047
BC Timber Sales Special Account	236,929	203,941	219,056	235,928
Forest Stand Management Fund	-	-	-	-
Total February 2024 Plan	845,341	850,670	871,096	887,968
<i>Year-to-Year Change in 2024/25 Service Plan</i>		<i>5,329</i>	<i>20,426</i>	<i>16,872</i>
		<i>0.6%</i>	<i>2.4%</i>	<i>1.9%</i>

Ministry of Forests - Ministry Summary - Capital

Three Year Budget 2024 Decisions from February 2023 Budget - Capital

\$ 000s

	2023/24 Estimates	2024/25 Estimates	2025/26 Plan	2026/27 Plan
A February 2023 Budget				
Vote 30 - Ministry Operations	35,749	32,448		
Vote 31 - Fire Management	16,000	16,000		
BC Timber Sales Special Account	41,107	41,452		
Total February 2023 Plan	92,856	89,900		
<i>Year-to-year change in 2023/24 Service Plan</i>		(2,956)		
B Intra-Ministry Transfers				
Total-Intra Ministry Transfers	-	-	-	-
C Budget Lifts and Reductions				
Lift for BC Wildfire - Facilities		20,500		
Lift for First Nations Community Access Roads		2,500	2,500	2,500
Lift to BC Timber Sales to align with Performance Targets and Resource Requirements		12,643	8,278	5,947
Reduction for BC Wildfire - Federal Funding agreement				(2,499)
Total Budget Lifts and Reductions	-	35,643	10,778	5,948
Total Transfers and Adjustments	92,856	125,543	98,141	93,311
<i>Impact from Budget 24 Decisions</i>	-	35,643	10,778	5,948
	-	39.6%	12.3%	6.8%
D February 2024 Budget				
Vote 30 - Ministry Operations	35,749	55,448	34,948	34,948
Vote 31 - Fire Management	16,000	16,000	13,500	11,001
BC Timber Sales Special Account	41,107	54,095	49,693	47,362
Total February 2024 Plan	92,856	125,543	98,141	93,311
<i>Year-to-Year Change in 2024/25 Service Plan</i>		32,687	(27,402)	(4,830)
		35.2%	(21.8%)	(4.9%)

Advice/Recommendations: Government Financial Information

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Fibre Supply Economic Outlook & AAC Reductions
Revised: February 5, 2024

Issue: The provincial allowable annual cut is projected to decline to 58 million cubic meters by 2030.

Response:

- The current Allowable Annual Cut (AAC) for all Crown management units is 62.2 million cubic metres.
- Following current land use and forest practices, the AAC is anticipated to decline to 58 million cubic metres by 2030.
- Advice/Recommendations
-
- The Chief Forester's AAC determinations are independent statutory decisions.
- In addition to timber from Crown land, harvests from privately managed forest in B.C. averages about 6.5 million cubic metres per year.

Background/Status:

- The provincial timber supply has been declining over the last 15 years from a peak of 85 million cubic metres per year in 2007 during the mountain pine beetle outbreak.
- The current AAC for all Crown management units is projected to decline from its current level of 62.2 million cubic meters down to 58 million cubic metres by 2030.
- This projection does not account for impacts related to the provincial old-growth strategy, caribou recovery plan, or other future land use decisions.

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- Advice/Recommendations
 - The Chief Forester's AAC determinations are independent statutory decisions.
 - There is about 20 million hectares of Crown forestland available to harvest that is currently uneconomic, and therefore not part of the AAC. If economic uses for this timber can be developed, AACs declines could be reduced.
 - The timber supply projections illustrated below are based on the most recent timber supply review for all Crown management units.
 - In addition to timber from Crown land, harvests from privately managed forest land in B.C. averages about 6.5 million cubic metres per year.

Advice/Recommendations

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

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Mill Investments and Purchases
Revised: February 1, 2024

Issue: Investment in B.C. Mills 2022 – 2023 (as of February 1, 2024)
Response:

- High-quality wood and innovation continue to keep the B.C. forest sector competitive and drive industry investment in our communities.
- Capital and repair expenditures in wood product and paper manufacturing in B.C. were \$1.07 billion in 2021, up 14% compared to 2020.
- Government has committed \$180 million to the BC Manufacturing Jobs Fund to help get manufacturing back into communities impacted by downturns. One area of focus is innovation and sustainability in the forestry value-added sector.
- We have seen partnerships between industry and First Nations to promote greater involvement of Nations in the forest sector.

Background/Status:

- Almost \$30 million in funding has been announced for forestry sector BC Manufacturing Jobs Fund projects. Attachment 1 lists all announced forestry sector projects under the fund. With this funding, companies in communities throughout the province have enhanced existing facilities, built new ones, and made plans for future expansion.

- Advice/Recommendations

- **Millar Western Forest Products** – In September 2023, Millar Western Forest Products, owned by Atlas, signed the definitive agreement to purchase West Fraser's Quesnel River Pulp mill in Quesnel and its Slave Lake Pulp mill in Alberta for US\$120 million.

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- **San Group** – In September 2022, San Group announced it would invest \$23 million in the value-added division at Port Alberni and its Acorn sawmill in Delta, acquired in April 2022. The investment focuses on high-quality shelving products for stores like IKEA and will improve the sawmill's efficiency.
- **Pacific Woodtech** – In August 2022, Pacific Woodtech assumed ownership of the Golden mill from LP Building Solutions. The \$210-million acquisition included the veneer, laminated veneer lumber, and plywood facilities in Golden, as well as operations in Red Bluff, California, and Wilmington, North Carolina.
- **Drax** – In August 2022, Drax announced the acquisition of the Princeton Standard Corp. pellet plant in B.C. The mill produces 90,000 tonnes of wood pellets annually, employs 32 people, and became their eighth plant in B.C.
- **Western Forest Products** – In July 2022, Western Forest Products announced the investment of \$29 million in their B.C. operations: \$12.3 million at the Saltair sawmill in Ladysmith, \$7.9 million at the Duke Point facility in Nanaimo, and \$8.3 million in other capital investments in B.C.
- **Kruger** – In June 2022, Kruger purchased Domtar's Kamloops pulp mill when Domtar had to divest itself of the mill before being acquired by Paper Excellence. The purchase price was \$300 million.
- **Peak Renewables** – In March 2022, Peak Renewables acquired Paper Excellence's previously closed (2015) Chetwynd Pulp Mill.
 - In February 2022, Peak Renewables entered into an agreement to purchase Canfor's Mackenzie site, plant, and equipment for \$70 million. This followed several other purchases in recent years:
 - The November 2021 purchase of forest tenures and mill assets from Canfor's operations in Fort Nelson for \$30 million, with plans to build a 600,000-tonnes-per-year wood pellet plant;
 - The purchase of the previously closed PolarBoard oriented strand board panel plant and Tackama plywood plant in 2020; and
 - The late 2020 purchase of Canfor's Vavenby plant and its surrounding land.
- **Canfor-Vanderhoof** – In February 2022, Canfor reduced capacity to 80% but also announced it would invest \$14 million on the remaining production lines.

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

Attachment 1 – Manufacturing Jobs Fund Announced Projects, Forest Sector

Business Name	Project Description	MJF Contribution	Community/Region	Jobs Created/Protected
MASSIVE CANADA BUILDING SYSTEMS INC.	This project establishes a new 91,000 sq ft mass timber modular home manufacturing facility that will pre-fabricate laneway homes, apartment units, townhouses and commercial projects using mass-timber building products.	\$10,000,000	Williams Lake/ Cariboo	71 created; 0 protected
S. & R. SAWMILLS LTD.	This project supports the expansion, purchase and commissioning of a trimmer/sorter/stacker line that will improve efficiency, reduce waste, and enable S&R to process smaller dimension logs.	\$4,000,000	Langley/ Mainland-Southwest	25 created; 100 protected
SAN INDUSTRIES LTD.	San Industries is an integrated forest company and manufacturer of wood products. This project will upgrade machinery for their panel and veneer line and will add warehousing for product storage and implementation of a paint line.	\$2,500,000	Port Alberni/ Vancouver Island-Coast	30 created; 0 protected
RICHMOND PLYWOOD CORPORATION LIMITED	This project supports the acquisition and installation of new equipment to optimize their value-added manufacturing processes, improving quality and operational efficiency.	\$2,300,000	Richmond/ Mainland-Southwest	14 created; 0 protected
CANOE FOREST PRODUCTS LTD.	This project replaces equipment to improve the long-term viability of the company, which manufactures softwood sheathing, veneer and specialty plywood.	\$2,250,000	Canoe/ Thompson-Okanagan	0 created; 205 protected
WOODTONE SPECIALTIES INC.	This project involves a capital expansion to increase efficiency, improve fiber recovery and add a new product line that will create 50 jobs at the company. The new product line will produce smooth-face engineered cedar siding and fascia	\$1,340,000	Armstrong/ Thompson-Okanagan	50 created; 0 protected

Attachment 1 – Manufacturing Jobs Fund Announced Projects, Forest Sector

Business Name	Project Description	MJF Contribution	Community/Region	Jobs Created/Protected
	from second-growth knotty wood, which has high demand in a market that traditionally relied on old-growth trees.			
COAST TSIMSHIAN RESOURCES LTD.	Coast Tsimshian Resources is a forestry company fully owned by the Lax Kw'alaams Band. Their project will establish a wood chipping manufacturing facility and purchase necessary equipment.	\$970,000	Terrace/ North Coast	108 created; 0 protected
DOWNIE TIMBER	Downie Timber is a sawmill producing cedar, hemlock, and spruce products. This project will replace the de-barker on the small log line.	\$825,000	Revelstoke/ Thompson- Okanagan	0 created; 229 protected
SUNRISE ENGINEERING AND MFG. INC.	Sunrise Engineering & MFG Inc is a machine shop specializing in pulp mill equipment repairs. Their project will purchase 2 CNC machines, upgrade their existing facility, and reconfigure their facility for greater efficiencies.	\$805,000	Delta/ Mainland- Southwest	5 created; 0 protected
KINSOL TIMBER SYSTEMS LTD.	This project involves building a pre-fabrication facility at Kinsol's operating site to increase capacity for mass-timber production. The facility will add a nail-laminated timber line, increase its sawn-timber and glue-laminated-timber fabrication, and establish a new panelized wall line.	\$500,000	Mill Bay/ Vancouver Island- Coast	9 created; 0 protected
MONSTER INDUSTRIES LTD.	Monster Industries Ltd. is a steel construction company specializing in mechanical and structural installations and maintenance for forestry, energy and mining industries. This project involves building a new fabrication facility and purchasing a new crane that will help manufacture drying kilns	\$466,000	Terrace/ North Coast	7 created; 77 protected

Attachment 1 – Manufacturing Jobs Fund Announced Projects, Forest Sector

Business Name	Project Description	MJF Contribution	Community/Region	Jobs Created/Protected
	for the forestry industry in B.C., which are essential for the production of value-added wood products.			
FRANKLIN FOREST PRODUCTS LTD.	This project will retrofit and purchase sawmill equipment to process a wider variety of log diameters and shift more effectively from old growth logs to smaller, more uniform second growth timber.	\$425,000	Port Alberni/ Vancouver Island- Coast	5 created; 37 protected
J.H. HUSCROFT LTD.	J.H. Huscroft is a value-added speciality manufacturer of glulam, trim, boarding and flooring. This project purchases and replaces equipment that will boost productivity and capacity at its sawmill, protecting 75 jobs and expanding the types of logs that can be processed.	\$400,000	Creston/ Kootenay	0 created; 71 protected
WESTERN WOOD PRESERVERS LTD.	This project expands and renovates a processing facility to treat lumber and improve fabrication.	\$300,000	Aldergrove/ Mainland- Southwest	7 created; 9 protected
NEW WAVE DOCKS LTD.	New Wave manufactures docks and floats out of wood, metal and roto-molded plastic for residential and commercial markets, including resorts and marinas. This project will construct a new 14,000 square foot steel engineered building on the existing site, designed to house a large-scale roto-oven and aluminum fabrication shop.	\$300,000	100 Mile House/ Cariboo	7 created; 0 protected

Attachment 1 – Manufacturing Jobs Fund Announced Projects, Forest Sector

Business Name	Project Description	MJF Contribution	Community/Region	Jobs Created/Protected
C. W. CREATIVE WOODCRAFT LTD.	C.W. Creative is a custom cabinetry manufacturer. This project will expand existing facility and acquire new machinery.	\$286,000	Cobble Hill/ Vancouver Island-Coast	14 created; 0 protected
OT TIMBER FRAMES LTD.	OT Timber Frames is a custom residential and commercial timber frame manufacturer. This project expands their production facility and adds two CNC machines to scale-up the production of pre-fabricated homes, including a new product offering, and maintains year-round employment for staff.	\$235,000	150 Mile House/ Cariboo	5 created; 20 protected
NEXUS GLOBAL BUILDING SYSTEMS INC.	Nexus will expand and upgrade their existing facility and purchase new machinery that will diversify their product lines for the construction of modular and manufactured homes. The integration of increased efficiencies and component accuracy will save money and reduce waste.	\$200,000	Cobble Hill/ Vancouver Island-Coast	12 created; 0 protected
YARROW WOOD (2012) INC.	Yarrow Wood is a custom lumber manufacturing facility. This project will invest in new equipment and upgrade facility.	\$130,000	Chilliwack/ Mainland-Southwest	5 created; 0 protected
BIOFLAME BRIQUETTES LTD.	Bioflame Briquettes Ltd. manufactures briquettes from waste sawdust from the forestry industry. This project purchases and commissions a hammermill and briquette press to increase fibre diversity and production at their Chemainus facility.	\$117,320	Chemainus/ Vancouver Island-Coast	4 created; 0 protected

Attachment 1 – Manufacturing Jobs Fund Announced Projects, Forest Sector

Business Name	Project Description	MJF Contribution	Community/Region	Jobs Created/Protected
PARADIGM BUILDING SOLUTIONS LTD.	Paradigm Building Solutions Ltd. is a prefabricated wall panel manufacturer. This project will purchase an automated saw, which will result in increased output, reduction of waste, and a new product line including floor panels and roof trusses, creating five jobs.	\$106,000	Louis Creek/ Thompson- Okanagan	5 created; 0 protected
CONIFEX MACKENZIE FOREST PRODUCTS INC.	Conifex manufactures high-quality lumber for sale to markets in North America and Japan. This project will purchase equipment to improve tipping and sawing accuracy, increase the quality and efficiency of their lumber production, lengthen saw life, reduce downtime, and improve recovery and value from their fiber volume.	\$105,000	Mackenzie/ Cariboo	0 created; 159 protected
BID GROUP TECHNOLOGIES LTD.	Bid Group designs and manufactures equipment for the sawmill industry. This project increases manufacturing capacity at the Vanderhoof facility by replacing two manual lathes to enable them to reduce outsourcing and optimize parts production.	\$100,000	Vanderhoof/ Bulkley-Nechako	0 created; 0 protected
B COLLECTIVE HOMES INC.	B Collective is a home construction company with a focus on energy efficient passive homes with sustainable bio-based closed panel construction. This project moves offsite prefabrication of panels in-house to allow B Collective to target affordable housing projects that are urgently needed in the Vancouver region.	\$50,000	Vancouver/ Mainland- Southwest	N/A
KRUGER KAMLOOPS PULP L.P. / PATES	This project conducts planning activities required to install a diffusion washer at the pulp mill, which	\$50,000	Kamloops/ Thompson- Okanagan	N/A

Attachment 1 – Manufacturing Jobs Fund Announced Projects, Forest Sector

Business Name	Project Description	MJF Contribution	Community/Region	Jobs Created/Protected
KRUGER KAMLOOPS S.E.C.	will allow them to pursue new, innovative product lines using cellulose and lignin.			
POWER WOOD CORP.	Power Wood is a specialty cedar lumber remanufacturing business which produces high-value cedar end products such as siding, paneling and trim. They are completing business planning, technical drawings, and engineering to build a new Thermal Modification facility. The project will allow them to make use of new fiber sources and double their production capacity.	\$50,000	Agassiz/ Mainland-Southwest	N/A
STUWIX RESOURCES LTD.	Stuwix Resources Ltd is a forestry management company owned by eight First Nations. The planning activities include a feasibility assessment to implement long log harvesting, which will turn wood waste into merchantable products.	\$50,000	Merritt/ Thompson-Okanagan	N/A
LIL'WAT FORESTRY VENTURES INC.	This project includes a market assessment and business plan in preparation for purchasing a carbonator which will process waste wood into biochar, create new jobs, and establish a new revenue stream.	\$30,000	Mount Currie/ Mainland-Southwest	N/A
THOMPSON RIVER VENEER PRODUCTS LTD.	Thompson River Veneer Products is a producer of veneer plywood panels used for sheathing and building. This project conducts a technical assessment to replace press platens in order to increase productivity and reduce costs.	\$30,000	Kamloops/ Thompson-Okanagan	N/A
YUN KA WHU'TEN FORESTRY LTD. (WEST CHILCOTIN	West Chilcotin Forest Products is a forest management company, fully owned by Ulkatcho	\$11,950	Ulkatcho First Nation Territory/ Cariboo	N/A

Attachment 1 – Manufacturing Jobs Fund Announced Projects, Forest Sector

Business Name	Project Description	MJF Contribution	Community/Region	Jobs Created/Protected
FOREST PRODUCTS LTD.)	First Nation. This project completes a full business case for a new post and rail business line.			
FORESTRY TOTAL		\$29,863,880		398 created; 907 protected

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Mill Curtailments and Timber Supply

Revised: February 8, 2024

Issue: Declining timber availability, factors influencing mill curtailments or 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 the declining timber supply.
- The Ministry of Forests remains focused on the continuity of fibre supply to mills, stabilizing harvest levels, and the sustainability and stewardship that is required to support forest sector transformation, through collaboration with First Nations partners, industry, labour, and communities.
- British Columbia recognizes that reconciliation with First Nations is integral to bringing stability to the forest sector and is an underpinning in modernizing forest policy.
- B.C. recognizes the challenges facing the forest industry and has developed a suite of Forest Worker and Community Supports programs (*see separate note*).
- 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.

Background/Status:

- Detailed Closure Information:
Advice/Recommendations

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Withheld pursuant to/removed as

Advice/Recommendations

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

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Advice/Recommendations

Advice/Recommendations

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Withheld pursuant to/removed as

Advice/Recommendations

Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Crofton Pulp Mill

Revised Date: February 27, 2024

Issue: The curtailment of paper machines.

Response:

- The BC pulp & paper sector is integral to the forest sector supply chain. It supports families and rural communities and the incomes of union workers that help stabilize the economies of many rural communities across the Province. Sawmills rely on pulp firms buying wood chips to maintain their operations.
- We understand how tough closures are for workers and communities impacted by mill curtailments amid weak markets. I am committed to delivering coordinated and comprehensive support for workers, communities and First Nations.
- The main challenge facing Crofton and all pulp mills in BC is the weak lumber markets, which have forced sawmills to operate at lower production rates or curtail operations.
- The pulp sector is increasing the use of residual fibre from logging and low-value timber to produce pulp used to manufacture products designed to replace single-use plastic.
- The Pulp Fibre Supply Task Force, which includes senior staff from Paper Excellence Canada (PEC), achieved its 3 million cubic metres (m³) goal of accessing residual fibre from logging and low-value timber in 2023. The Task Force set their 2024 target for another 3 million m³.
- In the February 22nd Budget, this government provided a total of \$60 million in additional funding to the Forest Enhancement Society of BC (FESBC) until the end of the fiscal year 2027 (\$20M per year for three years).

Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- The Crofton mill employs 400 employees at its pulp operations and 200 employees at its paper operations. The mill consumes most of its fibre from local sawmills.
- Paper Excellence Canada (PEC) curtailed paper machines #3 in December 2022 and #2 in July 2023 at its Crofton mill for the foreseeable future due to low paper market prices and low demand. They announced their indefinite curtailments in January 2024.
- Crofton pulp operations were curtailed for 3 ½ months from July to mid-October 2023 due to low market prices and high global pulp inventories.
- Challenges facing all pulp mills in BC are the continuing weak lumber markets, which have forced sawmills to operate at lower production rates or curtail operations, and the low demand and price in the China pulp market at US\$725 per tonne for Northern Bleached Softwood Kraft (NBSK) pulp in China.
- The longer-term challenge facing both sawmills and pulp mills is the declining Allowable Annual Cut across the province, as a result of pest and fire impacts.
- PEC received \$6.6 million directly and indirectly from FESBC for the incremental haul costs of 373,000m³ for fiscal years 23/25 to PEC mills, including the Crofton mill. PEC BC mills received \$18.3 million from FESBC before 2023.
- PEC received \$8.939 million from the Ministry of Environment and Climate Change Strategy Clean BC Industry Fund, including \$5.85 million to Crofton in 2021.
- The Ministry of Labour Bridging to Retirement Program provided more than \$1.5 million in benefit funding for ^{Government} ~~Financial~~ from PEC Crofton.
- The Ministry of Post-Secondary Education and Future Skills Community Workforce Response Grant program awarded PPWC Local 2 Union \$607,151 to support internal training of junior staff from senior staff.
- PEC Crofton mill was fined \$25,500 by the MECC in January 2024 for releasing more than one million litres of toxic waste into the Salish Sea.

Contact:

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Division

**2024/25 Estimates Note
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: West Fraser, Fraser Lake Sawmills Permanent Closure

Revised: January 25, 2024

Issue: Mill Closure and loss of 175 jobs due to declining fibre supplies and impacts to Communities from Job losses

Response:

- We understand how tough it is for people and communities impacted by closures and curtailments as we transition from mountain pine beetle-elevated allowable annual cuts (AACs) from the past 20 years.
- AACs within the Lakes Timber Supply Area (TSA) and the Prince George TSA, where Fraser Lake Sawmills holds most of its tenure, have experienced significant reductions to account for the pine beetle impact. In recent AAC decisions, the Prince George AAC was reduced by 33% in 2017, and stepped down again by 13% in 2022. The Lakes TSA was reduced by 41% in 2019.
- Right now, impacted workers and their families are our priority and we have a suite of programs – community transitions, skills training, employment assistance and retirement bridging – in place to support them.
- Government staff will work with all impacted communities in the region to coordinate a response to meet their needs and those of employees.
- B.C. is positioning the forest sector to be more resilient through Forest Landscape Plans as we embark on the management of stewardship values in a post-beetle era, in collaboration with First Nations and local communities.

2024/25 Estimates Note

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- On January 22, 2024, West Fraser Sawmills Ltd. (West Fraser) announced the permanent closure of its Fraser Lake sawmill, starting in May 2024 and citing inability to access economically viable fibre. This closure impacts 175 employees and removes 160 million board feet from production.
- Previously, on August 9, 2022, West Fraser announced a permanent shift reduction reducing the workforce by 77 employees. Lack of fibre supply after the pine beetle was cited as the reason.
- Population of the Fraser Lake community is less than 1,000 with West Fraser being the largest employer and contributor to the tax base. Both the Stellat'en and Nadleh First Nations are also greatly impacted by this announcement as their community members were employed in the sawmill and other forest operations.
- The Fraser Lake sawmill has not seen a significant capital investment since the construction announcement of the bioenergy facility attached to the mill in 2012 (\$42 million investment). They were a successful applicant through the BC Hydro call for power. Status of this facility is unknown with the sawmill closure.
- The Fraser Lake facility is older and less efficient than other facilities along the Highway 16 corridor
- West Fraser draws volume from both the Prince George and Lakes TSAs. Both units have been significantly impacted by pine beetle and recent wildfires.
- Advice/Recommendations

Advice/Recommendations
Intergovernmental Communications

Intergovernmental
Communications

Contact:

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

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Minister's Apportionment Process

Revised: February 5, 2024

Issue: Efforts to streamline forest licence reduction and apportionment decisions.

Response:

- The ministry is working with First Nations and licence holders to ensure reduced fibre supplies are allocated fairly.
- An apportionment is the minister's decision on the allocation of the Timber Supply Area (TSA) allowable annual cut (AAC) to different tenure categories. This decision can be very complex and time consuming especially with declining AAC.
- In some TSAs with sustainability risks, a licence reduction can be completed prior to an apportionment decision.
- The apportionment process can then be used for strategic discussions with affected First Nations and stakeholders to determine long-term goals for a TSA allowable annual cut. This may require compensation to licence holders.
- There are approximately six TSAs across the province with pending apportionment decisions. Some TSAs will also likely require licence reduction decisions dependent on the amount of the AAC reduction.

Background/Status:

- A minister's apportionment decision under Section 10 of the *Forest Act* has no direct impact on existing Forest Licence harvesting rights. Section 63 of the *Forest Act* is used to reduce the AAC of individual Forest Licences in the TSA without compensation.
- Advice/Recommendations; Intergovernmental Communications

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- In 2023, a new Licence Reduction and Apportionment Guide was created to help streamline the process and provide timelier decisions. It also reinforces that apportionment is not a tool for tenure taking.
- Changes were brought into the *Forest Act* in 2023, and clarified how government could take volume from existing licence holders with compensation (Parts 15-17). This new legislation provides clarity on how the Province can take volume from licence holders and redistribute it using a defined compensation framework.

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Forest Tenures
Branch

Appendix 1

Advice/Recommendations; Intergovernmental Communications

**2024/25 Estimates Note Template
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth Overview.
Revised: March 5, 2024

Issue: Old Growth Strategic Review: Overview

Response:

- Government is committed to implementing all 14 recommendations made through the Old Growth Strategic Review (OGSR) report *A New Future for Old Forests*.
- We have already made significant progress with implementation underway for all 14 recommendations.
- Many of these recommendations are highly complex. They require us to develop a fundamentally new approach to land stewardship marked by the development of deeper relationships with First Nations and stakeholders.
- Advice/Recommendations
- We are preparing an Action Plan which will lay out the progress we have already made and commit to further action to complete implementation.
- We are committed to working in partnership with First Nations, and with the full involvement of affected stakeholders, as we continue to move towards complete implementation of the OGSR recommendations.

Background/Status:

Status of old-growth forests

- Old growth forests (defined as stands greater than 140 years, or 250 years depending on ecosystem type) comprise 11.4 million hectares in B.C., or about 20% of the forested area.
- 11.1 million hectares of old growth forest occur on publicly managed land.
- Logging of old growth trees declined by 35% between 2015 and 2021 (from an estimated 65,500 hectares to 42,300 hectares).

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Old Growth Strategic Review (OGSR)

- In 2019, the government commissioned a review to provide guidance on management of old-growth forests in B.C. The report, *A New Future for Old Forests*, was released publicly in September 2020.
- The report's 14 recommendations were generally for changes to stewardship of the land base.
- Advice/Recommendations
- Advice/Recommendations; Cabinet Confidences
- Advice/Recommendations
-
-

Advice/Recommendations

OGSR Action Plan Engagement

- Extensive engagement with First Nations and stakeholders to inform the Action Plan occurred between November 2022 and December 2023.
- Action Plan engagement included 284 representatives from 129 First Nations / Bands / Councils, and 283 individual stakeholders, including reps from 40 local governments, 26 ENGOs, 97 industry organizations, and five labour groups.

Next Steps:

- The Action Plan contains over 30 actions. Implementation is led jointly by the Ministry of Forests and the Ministry of Water, Land and Resource Stewardship. The Ministry of Jobs, Economic Development and Innovation is also an essential partner in this work.
- Advice/Recommendations
- Advice/Recommendations; Intergovernmental Communications

Contact:

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Financial Information

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth Strategic Review: Action Plan.
Revised: March 5, 2024

Issue: Old Growth Strategic Review Action Plan, *From Review to Action*

Response:

- British Columbia is shifting toward a land management approach that focuses on better supporting healthy communities and ecosystems, creating certainty for the communities who depend on them.
- This is necessary if forests are to continue providing essential benefits, such as clean air, clean water, carbon storage, food security – and importantly, secure, and stable inputs to a sustainable timber industry and more diversified forest sector.
- Working closely with First Nations and affected stakeholders – including the forestry industry and environmental NGOs – we are developing a suite of actions which will deliver this change.
- We are committed to furthering this work in partnership with First Nations, and with the full involvement of affected stakeholders.

Background/Status:

Action Plan: Development

- In early 2023, government publicly committed to completing an Action Plan in response to the 14 recommendations made through the Old Growth Strategic Review report, *A New Future for Old Forests*.
- Advice/Recommendations
- *From Review to Action* contains over 30 actions organized under three outcome-oriented Goals which respond to every recommendation made through *A New Future for Old Forests*.
- The actions were informed by extensive First Nations and stakeholder engagement. More than 284 representatives from 129 First Nations / Bands / Councils, and 283 individual stakeholders, including representatives from

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

40 local governments, 26 environmental NGOs, 97 forest industry organizations, and five labour organizations were engaged.

Action Plan: Publication

- Advice/Recommendations
- Advice/Recommendations

- Pre-release briefings on Action Plan content were held with First Nations (through an open call), representatives of the forestry industry, labour organizations, and environmental NGOs, the Union of BC Municipalities, the Minister of Forests PAC; and others.

Action Plan: Next Steps

- Advice/Recommendations
-

-
- Advice/Recommendations

-

Contact:

Thomas Rodger

Shane Berg

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Phone: Government
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Financial

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth Deferrals.
Revised: February 8, 2024

Issue: Status of temporary old growth deferrals and the transition to long-term stewardship

Response:

- In September 2020, the B.C. government released its Old Growth Strategic Review titled *A New Future for Old Forests*.
- The report provides guidance on old-growth management and how economic, ecological and cultural values can be realized.
- One immediate response to *A New Future for Old Forests* was to defer development in old forests where ecosystems are at high, near-term risk of irreparable biodiversity loss.
- Deferrals are a temporary measure to create space for discussion on holistic, long-term management approaches for old growth forests.
- Since 2021, we have worked in partnership with First Nations and stakeholders to identify old-growth deferral locations.
- As of December 2023, over 2.4 million hectares of old growth has been deferred or protected. This is in addition to the nearly 3.7 million hectares that were already protected.
- In most cases, licensees agreed to pause logging until after long-term stewardship plans are achieved.
- Transitioning from temporary deferrals to stewardship planning requires local insights.
- Local First Nations, communities and stakeholders are best placed to identify effective long-term management solutions for these deferred areas.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- Planning processes such as Forest Landscape Planning and Modernized Land Use planning will inform old forest stewardship for multiple values.
- Deferrals will remain in place until new stewardship approach(es) are implemented.
- Timelines to achieve stewardship approaches will vary.

Background/Status:

- In November 2021, Government announced its intention to work in partnership with First Nations Rights and Title holders to defer development within 2.6 million hectares of old growth forest.
- Of the 2.4 million hectares of old growth that has been deferred or newly protected since November 2021:
 - 1.23 million hectares is “at-risk” old growth identified by the Old Growth Technical Advisory Panel; and
 - An additional 1.19 million hectares were identified by First Nations.
- The focus is shifting to old-growth management approaches over the long term.
- Commitments in the Old Growth Action plan, such as accelerating collaborative local planning processes (e.g., Forest Landscape Planning and Modernized, Land Use Planning) will support the transition to long-term solutions.

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Forest Resiliency and
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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Socioeconomic Impacts of Old Growth
Revised: February 2, 2024

Issue: Socioeconomic Impacts of Old Growth

Response:

- British Columbia (B.C.) 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.

- Advice/Recommendations

-

- Advice/Recommendations

Advice/Recommendations

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.

- We know that the forestry industry is in a period of transition and faces significant challenges. 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 B.C. Manufacturing Jobs Fund to \$180 million. This investment is supporting mills to retrofit to manufacture higher-value wood products.

Background/Status:

2024/25 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- On Old Growth Impacts:
 - Advice/Recommendations

- On the Economic Model:
 - Socioeconomic impacts can include employment, gross domestic product, sales revenue, labour income, and provincial revenue.
 - Results from a special run of Statistics Canada's Input-Output Model are used to calculate the impacts. The Ministry currently uses a model based on 2018 data, with projections for 2019 and 2020 added.
 - Ministry staff are working on an updated model based on 2020, 2021, and 2022.
 - The model results are publicly available on the Forest Industry Economics page of the Ministry's website to increase transparency and for public use.
 - The development of the economic multipliers for the model was undertaken with the Council of Forest Industries (COFI) to promote use of a consistent tool when doing analysis.
 - Though the model is based on Statistics Canada work, Statistics Canada is not involved in, nor do they endorse the Ministry's socioeconomic work.

- On the Analysis Process:
 - Typically, land use decisions involve multiple options with differing impacts on the Allowable Annual Cut (AAC), and each option's socioeconomic impacts are estimated based on the AAC impacts.
 - Staff review ministry data such as harvest levels, mill inputs, geographic information, and management unit AACs to inform additional qualitative analysis and to make adjustments to calculated socioeconomic impacts. Project leads and subject-matter experts, such as foresters and biologists, also help inform analysis.
 - 2021 Canadian Census data is used to look at the forest sector's contribution to local or regional household employment and income.

Contact:

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Old Growth Implementation in Planning

Revised: February 9, 2024

Issue: How old growth and biodiversity direction will be implemented through collaborative planning

Response:

- Government is committed to managing for ecosystem health and biodiversity, including old growth forests, and to implementing the Old Growth Action Plan.
- Land Use Planning and Forest Landscape Planning provide a vital opportunity for defining locally specific direction for old forest and biodiversity management, in partnership with First Nations, and through engagement with communities and stakeholders.
- Collaborative planning with First Nations is central to B.C.'s planning framework and to supporting reconciliation and consistent with the *Declaration on the Rights of Indigenous Peoples Act*.
- Land Use Plans (LUPs) define strategic objectives and zones for land use and management, including biodiversity and old forests, that can be implemented through legal land use objectives.
- Forest Landscape Plans (FLPs) define landscape and stand level direction for forest management, including biodiversity and old forests, consistent with established land use objectives.
- FLPs can define forest practices, including silviculture systems to achieve biodiversity and old forest objectives.
- An FLP process can make recommendations to inform current or future strategic level planning.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- The predictability and certainty provided through planning can improve B.C.'s competitiveness on the global stage as a desirable location for forestry-related investment.
- FLP and LUP can be used to advance multiple recommendations from the Old Growth Strategic Review, including, but not limited to: Indigenous involvement; prioritizing ecosystem health and resilience; implementing a three-zone forest management framework; and setting management objectives/targets.

Background/Status:

- On September 11, 2020, government announced its commitment to implementing the Old Growth Strategic Review Report - A New Future for Old Forests - and embarking on a holistic approach to protecting old-growth forests.
- The Ministry of Forests is leading the development of the Old Growth Action Plan to be released in spring 2024, and the Ministry of Water, Land and Resource Stewardship is leading the development of the Biodiversity and Ecosystem Health Framework.
- The Ministry of Forests is committed to improving forest management in B.C. Bill 23 passed in all 2021, creating transformative changes to the *Forest and Range Practices Act* by introducing the new FLP framework.
- In February 2023, government committed \$25 million over three years to develop eight new FLPs in partnership with First Nations. FLP areas were defined based on First Nations support and priorities for old forest management.
- The Forest Landscape Planning process will be integrated closely with this new ministry's work to ensure that FLP outcomes support biodiversity and ecosystem health.

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Forest Landscape Plans (FLP)

Revised: February 8, 2024

Issue: Forest Landscape Planning provides a vital opportunity to partner with First Nations in developing forest management direction that supports resilient forests and communities

Response:

- Forest Landscape Plans (FLP) establish clear 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:
 - Supporting reconciliation with First Nations and aligning BC's forestry framework with the *Declaration on the Rights of Indigenous Peoples Act* (Declaration Act) through collaborative planning.
 - Facilitating better engagement with BC's communities to reflect local interests in forest management.
 - Confirming sustainable forest harvest levels to support BC's economy.
 - Responding to the impacts of climate change and cumulative effects and establishing more resilient forests and rangelands.
- FLPs will be developed jointly by the province and First Nations, and through engagement with local communities, forest licensees and other tenure holders.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- Forest Landscape Planning was enabled through Bill 23 in the fall of 2021. Regulations are currently under development to bring the FLP framework into force.
- FLPs will apply to Tree Farm Licenses, volume based tenure holders that operate within Timber Supply Areas (TSA), and to larger Community Forest Agreement (CFA) and First Nations Woodland Licence (FNWL) holders. Smaller CFAs and FNWLs holders and Woodlot licensees will continue to follow current planning requirements.
- FLPs will provide direction for new Forest Operations Plans (FOP) that will be developed by forest tenure holders, describing the location of proposed cutblocks and roads and forest practices that will be implemented, consistent with direction from the FLP.
- 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, and draft plans are expected this year.
- In February 2023, government committed \$25 million in funding over three years to develop eight new FLP's, including \$14 million in capacity funding for First Nations.
- Five new FLP's have since been initiated in collaboration with First Nations in the following areas: West Central Vancouver Island. East Central Vancouver Island, Bulkley/Morice, Williams Lake and 100 Mile House. Discussions are continuing with First Nations to initiate FLP's in four additional areas.
- FLP's will support government's commitments to implementing old growth management actions, as well as direction for a range of forest related values.

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: First Nations Participation in Forest Landscape Planning

Revised: February 8, 2024

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 *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 to have a central role in the new Forest Landscape Planning (FLP) framework.
- Amendments in Bill 23 enable the implementation of decision-making agreements negotiated under s. 7 of the *Declaration Act* for key FLP related decisions.
- Where a section 7 agreement is not in place, the Chief Forester must consult and cooperate with First process before establishing an FLP.
- There are 23 First Nations actively participating in four FLP pilot projects that are currently underway.
- Five new FLPs were recently initiated in collaboration with 44 First Nations, and discussions are underway to initiate further FLPs.

Background/Status:

- There are currently four active FLP pilot projects underway across the province with the following First Nations participating:
 - Quesnel TSA:

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- ?Esidlagh First Nation, Ulkatcho First Nation, Xatsúll 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 Tye Nation, Stelat'en First Nation, Wet'suwet'en First Nation, Tl'azt'en Nation
- TFL 37:
 - 'Namgis First Nation
- First Nations participating in FLP pilots have been receiving annual funding through the Indigenous Funding Program (IFP) to compensate them for their time, skills and knowledge contribution.
- In FY2023/24, FLP pilots received a total of \$1.156M in IFP funding, and are requesting ^{Government} _{Financial} for continued participation in FY2024/25.
- In February 2023, government announced a commitment to initiating 8 new FLPs, and committed \$14M in contingency funding over 3 years to support First Nations partnership in these new FLP's.
- Five new FLPs have since been initiated with 44 First Nations participating in the following areas: West Central Vancouver Island, East Central Vancouver Island, Bulkley/Morice, Williams Lake and 100 Mile House.
- Forest Landscape Plans:
 - Define clear direction for forest management, in the form of outcomes and planning guidelines
 - Are established by legal order by the Chief Forester
 - Are developed in partnership with First Nations with engagement from licensees, stakeholders & local communities
 - Are required to report to the public on plan performance every 5 years.

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2024/25 TRE Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCTS Performance
Revised: January 26, 2024

Issue: BCTS 2023-24 Performance Summary

Response:

- BC Timber Sales (BCTS) continued to achieve its goal of supporting the Market Pricing System.
- Advice/Recommendations

2023/24 Performance Summary:

Key Performance Measure	Target	Projection	Variance
Timber Volume Sold	7.1M m ³	5.9M m ³	(1.2M m ³) ¹
Timber Volume Developed	7.4M m ³	4.0M m ³	(3.4M m ³) ²
Net Revenue	\$37.5M	\$18.5M	(\$19.0M)

2024/25 Performance Target Summary:

Key Performance Measure	Target
Timber Volume Sold ¹	7.2M m ³
Timber Volume Developed ²	7.4M m ³
Net Revenue	\$10.0M

Advice/Recommendations

2024/25 TRE Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- 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 has worked collaboratively with its Ministry counterparts to implement all recommendations of the Old Growth Strategic Review, including harvest deferrals 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 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 over 700 service contracts.
- Its activities also directly support over 4,000 to 5,000 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,
 - ✓ 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 is held publicly accountable for performance through the publication of its quarterly and annual reports. Treasury Board requires these same business plan

2024/25 TRE Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

achievements and also holds BCTS accountable for achieving the requirements of *Forest Acts 109*.

- BCTS publishes quarterly and annual public performance reports. The 2023/24 Annual Performance Report will be available in August 2024.
- 2024/25 will be the first year of the next 5-year BCTS business cycle.
- Advice/Recommendations; Government Financial Information

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCTS Disposition Agreements with Carrier Sekani
Revised: January 25, 2024

Issue: BCTS partnership with the Carrier Sekani First Nations.

Response:

- The Ministry of Forests is committed to forestry reconciliation with Carrier Sekani First Nations (CSFN).
 - Advice/Recommendations; Intergovernmental Communications

- First Nation tenures, partnerships and volume planning can improve the degree of predictability required to support sustainable forest resource management and fibre continuity as the allowable annual cut (AAC) declines and further reconciliation objectives.

Background/Status:

- Advice/Recommendations

- Advice/Recommendations; Intergovernmental Communications

- The Disposition Agreements provide authority for BCTS to auction the CSFN volume in TSLs with requirements to share 90% of the bonus bid.
- Advice/Recommendations; Intergovernmental Communications

- Advice/Recommendations; Intergovernmental Communications

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Volume on Haida Gwaii
Revised: February 6, 2024

Issue: Working with the Council of the Haida Nation (CHN) to gain support for BC Timber Sales (BCTS) auctions on Haida Gwaii (HG)

Response:

- BC continues to collaborate with CHN on BCTS auctions.
- BCTS is working with the Misty Isle Economic Development Corporation to establish a Community Forest Agreement with a legislated 50/50 revenue sharing component to non-Haida communities.
- On February 6th, the CHN and BCTS renewed the commitment to:
 - enhance collaborative efforts to address strategic and operational concerns with respect to forest development; and
 - advance Haida Title through the development of an interim BCTS forest strategy in addition to supporting local participation in the forest economy (TSL development, auction, and contracting opportunities).

Background/Status:

- Interests of an Indigenous People
- In 2017, the Ministry of Indigenous Relations and Reconciliation (MIRR) requested that BCTS stop auctioning Timber Sale Licences (TSLs) for six months to provide the Province and CHN the space required to advance reconciliation discussions.
- In May 2019, the Reconciliation Table (RT) provided direction to the Solutions Table to cease implementing CHN House of Assembly resolutions and other political directives without written direction from the RT.
- The GayGahlda 'Changing Tide' Framework Agreement was signed in August 2021, and provides a framework for BC and the CHN to negotiate further agreements leading to Haida Title. The framework includes a commitment to not unduly impact HG's economy by implementing the Changing Tide Framework.

2024/25 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- Intergovernmental Communications
- Advice/Recommendations; Government Financial Information; Interests of an Indigenous People

- BCTS auctioned two sales in 2021 that provided local employment in the forest sector and supported the Market Pricing System to ensure accurate pricing of timber on the islands.
 - Following the auction of the two sales in 2021, BCTS spent significant effort to enhance relationships with Haida and non-Haida communities, including: multiple face to face meetings with the Haida Natural Resource Division, Old Masset, Skidegate and Daajing Giids and Port Clements Mayor and Councils.
 - Through this community engagement, BCTS heard from the locals that they want to see BCTS better supporting their communities through the issuance of smaller sales geared toward small local mills.
 - In March 2023, BCTS and the CHN agreed on the small block approach.
 - Advice/Recommendations; Intergovernmental Communications
-
- On February 6, 2024, BCTS met with Haida Executive and renewed the commitment to address strategic and operational forest development matters including the potential to advance the three small blocks.

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCTS Sales Performance – South Area
Revised:

Issue: BCTS Sales Performance to date and year end projection

Response:

- The four South Area BCTS Business Areas (TCC, TKA, TOC, TKO) are all projecting to sell the fiscal 2024 Rationalized apportionment.
- The South Area Business areas are projecting to be at 93.6% of the target for the 5-year business cycle volume.

Advice/Recommendations

- Supporting the Value added sector continues to be a priority for the South Area and approximately 10% of the volume sold is targeted to support these businesses.
- The South Area Business Areas have undertaken significant fire salvage over the Fiscal and business cycle and are working to increase the speed of Timber sale auctions in Fire Salvage.

Background/Status:

Advice/Recommendations: Government Financial Information

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Advice/Recommendations; Government Financial Information

Contact:

Jamie Jeffreys

ADM South Area

Regional Operations

Government
Financial Information

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Timber Sales Unused Volume Status
Revised: January 31, 2024

Issue: BCTS Unused Volume Status

Response:

- As of March 31, 2023, BC Timber Sales (BCTS) has accumulated approximately 41.4 million m³ of unused volume provincially.
- The accumulation of unused volume originates primarily from:
 - Historic Mountain Pine Beetle Allowable Annual Cut (AAC) uplifts that could not be fully attained,
 - Remote/depressed markets (e.g., North Coast),
 - Delayed apportionment decisions following Chief Forester AAC reductions, and
 - Deferrals related to the Old Growth Strategic Review.
- BCTS continues to manage its unused volume including volume retirement when appropriate to ensure sustainable harvest rates. Any volume retirement is consistent with policy and procedures including consultation with First Nations.

Background/Status:

- BCTS is not subject to cut control provisions of the *Forest Act* but must manage volume apportioned by the Minister.
- 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 yet reflected in apportionment;
 - imposition of harvesting constraints to protect other resource values; or
 - lack of access due to First Nations concerns.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- 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, 2023, unused BCTS volume was ~ 41.4 million m³ provincially and is projected to increase to ~ 45.7 million m³ by March 31, 2024.
- 70% (i.e., 29.1 million m³) of current unused BCTS volume has accumulated in 10 Timber Supply Areas (TSAs)¹.
- The accumulation of unused volume primarily originates from:
 - 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
 - Impacts from deferrals related to the Old Growth Technical Advisory Panel polygons.
- BCTS amended its policy in 2020 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 13.5 million m³ since 2018.

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

2024/25 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Stumpage

Revised: January 30, 2024

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 2024/25 stumpage revenue is estimated to be \$578 M¹.
- Stumpage revenue is down slightly from an estimated \$598 M in fiscal year 2023/24, and down significantly from \$1.45 B in fiscal year 2022/23.
- The main reason for the decrease in stumpage revenues is due to lower expected average stumpage rates and lower harvest volumes.
- The Market Pricing System (MPS) equation includes a lumber variable and it is very sensitive to changes in lumber prices.
- The forecast assumes \$US 425 /mfbm price of lumber for calendar year 2024.

¹ Stumpage Revenue is part of Total Forest Revenue which is \$688 million.

2024/25 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 monthly 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

Contact:

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2024/25 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: FOR Revenue Forecast for 2024/25

Revised: February 23, 2024

Issue: Stumpage – Budget Forecast

Response:

- Advice/Recommendations: Government Financial Information
- Forest revenue has declined significantly from fiscal 2022/23 due to the impacts of lower stumpage revenue and lower logging tax revenue.
- Lumber prices have fallen from US\$ 1400/mfbm in March 2022 to a 2023 calendar year average of US\$ 400/mfbm.
- Low lumber prices impact stumpage revenue through the market pricing system.
- Total Crown harvest volumes are estimated to be 32 million cubic meters in in fiscal 2023/24 and 2024/25.
- Harvest volumes have declined significantly over the past few years due to declines in annual allowable cut associated with pest epidemics, wildfires, species at risk protection and old growth deferrals.

Background/Status:

- Advice/Recommendations: Government Financial Information
- 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:
 - Advice/Recommendations: Government Financial Information
- Crown harvest volumes assumption:
 - The stumpage forecast assumes 32 million cubic meters will be harvested in 2024/25
 - Crown harvest volume has fallen from 60 million cubic meters in 2016/17

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

	FORESTS REVENUE (\$, Millions)				
	2022/23 Actuals	2023/24 Revised Forecast	2024/25 Budget Forecast	2025/26 Target	2026/27 Target
Timber Tenures ¹	\$1024	\$279	\$206	\$274	\$299
BC Timber Sales	\$308	\$185	\$214	\$251	\$304
Other Forest Revenues ²	\$39	\$38	\$31	\$31	\$31
Logging tax ³	\$403	\$25	\$50	\$50	\$50
Recoveries ⁴	\$113	\$164	\$188	\$134	\$105
Forest Revenue (A9)⁵	\$1887	\$691	\$689	\$740	\$789

- 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 wildfire management recoveries. Ministry of Indigenous Relations and Reconciliation Forest Consultation and Revenue Sharing Agreement (FCRSA) recoveries are also included.
- 5 Forest Revenue (A9) aligns with the Budget and Fiscal Plan 2024/2025

NOTE: This Budget Forecast Note is a duplication of the note below.

Title: Ministry of Forests Revenue Estimates
Revised: January 30, 2024
Issue: FOR revenue forecast for 2024/25
Contact: Sonja Martins

Contact:

Allan Bennett TPB Director TRE Division Phone:
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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Wildfire Salvage – Provincial Overview

Revised: February 05, 2024

Issue: Wildfire Salvage Update

Response:

- In 2023 wildfires damaged approximately 36.33 million cubic meters of timber in our Timber Harvesting Landbase, however only a portion is actually available to harvest.
- To date, there has been 22 cutting permits submitted in these damaged areas, totalling 220,418 cubic meters.
- It is imperative that we do everything we can to shift harvest operations away from green forests and expedite salvaging burnt timber before the wood degrades in value.
- This is how we obtain maximum economic value from harvested trees and provide a source of much needed fibre for primary and value-added wood manufacturers.
- By shifting operations to focus on salvage, we also protect our future forests and timber supply by getting stands back into production and avoiding post-fire forest health issues.
- Wildfire salvage is also an important tool in post-wildfire landbase recovery, contributing to repairing the damage caused by wildfires on soils, watersheds and ecosystems.
- By salvaging the damaged trees, we are also reducing the fuel on the ground and the risk of future wildfires.
- The Province works in partnership with First Nations, communities and licensees post wildfire to ensure salvage harvesting manages for multiple values.
- The Province has recently established the Wildfire Salvage Leadership Committee (WSLC), with support from industry and the First Nations Forestry Council, which is tasked with

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

developing recommended solutions to overcome current barriers getting in the way of faster wildfire salvage. The Province has made several changes in recent years to expediate wildfire salvage, including:

- Introducing Wildfire Salvage Opportunity Agreements (WSOA) to enable forest licenses to be directly awarded to First Nations in fire damaged areas, which enables Nations to actively manage salvage within their territories and provide additional economic opportunities.
- Making several timber pricing changes to better reflect the reduced value and increased costs of wildfire salvage.
- Introducing the ability to use ribbon-less boundaries expedite salvage planning and increase worker safety.
- Providing additional funding to the Forest Enhancement Society of BC to support access to lower valued stands, such as burnt stands. (*see FESBC note for details*)
- Updating the Forest Cover Inventory maps to reflect 2023 fire perimeters, to be released shortly, which will enable better and faster salvage planning.

Background/Status:

- 2023 THLB burned: South 4,869,814m³, North 30,739,688m³, Coast 725,079m³.
- Not all area burned is harvestable – things such as accessibility, damage, retention areas, cultural values etc. all impact the amount of volume available to harvest – the WSLC is currently working on a process to better quantify harvestable burnt volume.
- Advice/Recommendations; Intergovernmental Communications
-

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BCTS Wildfire Salvage
Revised: February 2, 2024

Issue: BCTS Salvage of Timber Damaged by the 2023 and Earlier Wildfires.

Response:

- BCTS will continue to take a lead role in addressing fire damaged timber.
- BCTS typically salvages more fire damaged timber than others in the forest sector while, also, managing for other resource values.
- BCTS is currently engaged with various First Nations on the principles of wildfire salvage, reducing the time needed for consultation, and using Disposition Agreements with First Nation tenure holders.
- BCTS is actively developing areas damaged by the 2023 Wildfires to support expedited harvest and, so far, has identified over 550,000 m³ of timber to auction over the next several months.

Background/Status:

- From April 1, 2023, to October 24, 2023, BCTS has advertised 10 wildfire-damaged Timber Sales Licenses (TSLs) for an approximate volume of 177,000 m³. These TSLs, mainly thick bark species (Douglas-fir and Ponderosa Pine), were damaged in the 2021 wildfire season.
- As of August 29, 2023, there is approximately 59.8 million m³ of timber volume contained within the 2023 wildfire perimeters across the province. The condition of this timber ranges from undamaged to severely fire damaged.
- It is estimated that approximately 10 million m³ of timber in BCTS operating area has been fire damaged in 2023. Not all this timber is accessible or economic.
- Of this amount, BCTS has already identified approximately 563,800 m³ that is salvageable and marketable through 30 TSLs.
 - The first fire damaged TSL from the 2023 wildfire season was offered in January 2024. The remaining fire damaged timber will be offered during the 2024/ 2025 fiscal year.
- BCTS is engaged with local forest sectors on defining marketable fire damaged timber.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- In wildfire areas that contain severe fire damage, there is little to no opportunity for salvage sawlogs as assessed by major Licensees that operate sawmills.
- BCTS represents a portion (approximately 20%) of the harvesting capacity in the province as it relates wildfire salvage. For a full understanding of the burned land base being salvaged, the Ministry of Forests has developed a dashboard that is updated regularly, which BCTS is a contributor to.

Contact:

Name	ADM	Division	Phone:
Allan Powelson	Melissa Sanderson	BCTS-TRE	778-974-5667

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Estimates 2024 - South Area Fire Timber Utilization

Revised: February 7, 2024 (last date revised, bold, 12 pt, Arial)

Issue: Forest Industry concerned with fire salvage delays

Response:

- One to two years after a fire, timber rapidly deteriorates and becomes unsuitable for sawlogs.
 - Salvage of non-sawlog material has less economic value and results in additional costs of reforestation to the government.
 - Best results in timely sawlog salvage have been when plans are coordinated between industry and First Nations communities.
- It is generally a small proportion of a fire area, possibly 25%, that is available timber salvage due to burn severity, economic viability and other factors.
- Timber salvage is usually limited to:
 - Accessibility to road: within one kilometer
 - Slopes suitable for ground skidding
 - Moderate to severely burned timber
 - Areas within the timber harvesting land base (which amounts to 30% of the province)
 - Areas where First Nations cultural concerns are not limiting
- First Nation communities are often themselves heavily impacted when fire occurs and therefore pre-planning is essential.
- This year 2024, given the possibility of another dry summer, the ministry is working closely with industry and First Nation communities on pre-fire planning to enable timely salvage and to minimize non recoverable losses.

2024/25 Estimates Note Template

Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

Licensee Submissions

- Advice/Recommendations

- Data sourced from published February 2024 provincial BCWS dashboard.
- Industry is using different strategies for layout of fire salvage; the quicker method is layout of polygons followed by amendments and some use a more thorough survey and design, both dependant on available First Nations input. Salvage permit submissions are expected to be more significant in spring and early summer 2024. To secure the highest sawlog value from the burned timber will require stands to be harvested by the fall of 2024.

BCTS Auctions

- Advice/Recommendations

Advice/Recommendations

- There is another 30,000 m3 of moderate to low intensity burned area which will incorporate bark beetle trapping and sold after March 2024
- Okanagan Columbia has sold 13,197 m3 on 2023 fire areas. Salvage Timber Sales in TOC are expected to be more significant in spring and early summer 2024.
- Kootenay Sales Area has sold 35,909 m3 (although sale not signed yet) and another 23,000 m3 planned before end of March, 2024
- There were no BCTS Cariboo Sales operating area impacted by 2023 fires

Wildfire Salvage Opportunity Agreements (WSOAs)

- Advice/Recommendations; Interests of an Indigenous People

Contact:

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

**2024/25 Estimates Note Template
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Land Based Recovery Efforts & Wildfire Recovery for South
Revised: February 7, 2024

Issue: Wildfire Land Based Recovery Program is growing priority for Ministry of Forests, South Area

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 and re-aligned staff to this program.
- 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 for decades to come.
- All major wildfires undergo a screening by a professional geomorphologist to determine 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.
- Forest Landscape Level Plans have been started in the Cariboo and are about to start in Thompson Okanagan and Kootenays. FLPs will help establish more resilient forests through multiple strategies (e.g. firebreaks, deciduous planting, utilization standards etc.).

2024/25 Estimates Note Template Advice to the Minister

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 2023, a permanent program to coordinate wildfire recovery activities was established.
 - Recovery is tracked provincially using a Provincial Wildfire Land Based Recovery dashboard which shows progress on rehabilitation and timber salvage.
 - 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:
 - To date 28.9% of the 2,093 km of fire guard constructed for 2023 fires has been rehabilitated in the South area.
 - 291.8 km of range fencing was burned across the South Area during 2023 fires and plans are underway for replacement in 2024.
 - 136 fires from 2023 in south area were pre-screened to determine need for reconnaissance assessments for slope failure risk
 - 8 of 9 reconnaissance reports have been completed
 - 6 of 8 detailed assessment reports have been completed

Contact:

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

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Wildfire Recovery and Salvage Harvesting in Northeast BC
Revised: February 8, 2024

Issue: Wildfire Recovery and Salvage Harvesting in Northeast BC

Response:

- The impact of the 2023 wildfires across the province has been devastating and Ministry staff across the province are actively working on wildfire recovery efforts and to expedite salvage harvesting opportunities.
- A collaborative wildfire recovery table for the Fort St. John Timber Supply area has been established with Provincial and First Nations representatives, and the support of the forest industry to start to manage these impacts.
- Wildfire recovery planning to date has been focused on rehabilitation of fire guards, salvage harvest planning, and reforestation of burned stands.

Background/Status:

- Estimated 2023 wildfire impacts within the Northeast Region:
 - Over 1.4 million hectares of the forest landbase has been impacted including the Donnie Creek Wildfire, the largest wildfire in the province's history at approximately 620,000 hectares
 - Approximately 20 million cubic meters of merchantable timber impacted
 - Approximately 50,000 hectares of reforested cutblocks impacted
 - 560 km of fire guard constructed for fire suppression activities
- On wildfire salvage:
 - Salvage harvesting has started with over 400,000m³ of potential salvage permitted and 200,000m³ more currently in the permitting process.
- On partnering with First Nations:
 - First Nations with interests in the Fort St. John Timber Supply Area have been actively engaged in the North Peace Wildfire Recovery Working Group.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- Advice/Recommendations; Intergovernmental Communications

- The Province has engaged with First Nations about opportunities to participate in wildfire rehab work and collaboration on future wildfire recovery works.

- On shelf life of damaged timber
 - The shelf life of timber is dependant on many factors, including the previous condition of the timber, and the intensity of the burn.
 - Initial estimates are that the ability to utilize burnt timber for standard commercial purposes begins to decline quickly within 1 year to 18 months post fire.

- On impacts to timber supply:
 - The Province is continuing to assess the impacts of these fires on the timber supply, which will be factored into upcoming timber supply reviews.

- On harvest of green or unburned timber
 - The Ministry has set the expectation to the sector to focus on wildfire salvage and the forest sector is responding to this as quickly as possible.
 - Due to a variety of reasons, including timing, operational planning and resource constraints, some level of harvest of green or undamaged timber is likely to continue to occur. Every effort is being made to maximize salvage harvest opportunity in order to retain undamaged timber for future timber supply.

- On risk of re-ignition of wildfires in spring of 2024
 - The BC Wildfire Service is aware of the low snow pack currently in the Northeast and of the risk of potential re-ignition of these fires in the spring and developing monitoring plans in response to this risk.

Contact:

Mike Hykaway

ADM

North Area Regional
Operations

Phone: 250-
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**2024/25 Estimates Note Template
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: North Area Wildfire Salvage Opportunity Agreements

Revised: January 26, 2024

Issue: The current state of Wildfire Salvage Opportunity Agreements in the North Area.

Response:

- The 2023 wildfire season was unprecedented in the total area impacted, with ^{Advice/Recommendations} of the provincial forest management land base burned in the North Area.
- Wildfire Salvage Opportunity Agreements (WSOAs) were implemented as a tool to increase First Nations participation in forest management through wildfire salvage and restoration, to meet timely mandates, and to streamline salvage licence issuance to capture value from damaged timber. WSOAs are another step in our journey to advance reconciliation in the forest sector.
- Staff have been actively engaging with northern First Nations on wildfire salvage opportunities. This is to add to ongoing salvage work by forest companies, increase harvest activities in fire-damaged stands, and collaborative planning with industry partners and government, while providing for meaningful employment opportunities and economic benefits to communities.

• ^{Advice/Recommendations; Intergovernmental Communications}

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Withheld pursuant to/removed as

Advice/Recommendations ; Intergovernmental Communications

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: 2023 Wildfire Season Summary

Revised: February 6, 2024

Response:

- The 2023 wildfire season has been the most destructive in British Columbia's recorded history.
- Between April 1 and October 31, 2,245 wildfires burned more than 2.84 million hectares of forest and land.
- Though the number of wildfires and hectares burned are significant, 80 percent of wildfires this season were contained at five hectares or less.
- Other years saw more total fires. Twelve seasons have had over 3,000 fires from April 1 to October 31, with 1970 holding the record with 3,990 fires.
- Hectares burned this year are double the last record of 1.35 million in 2018. This amount is 10 times the 20-year average annual area burned (284,001 hectares) and is what would historically be expected over a decade.
- Of the 2,245 wildfires, 72 percent were natural-caused and 25 percent were human-caused. For the remaining three percent of wildfires, the causes are undetermined.
- The number of lightning strikes during the 2023 wildfire season was slightly above the 20-year average, with 265,321 strikes recorded.
- There were 60 wildfires designated as Wildfires of Note. A Wildfire of Note is a wildfire that is highly visible or poses a threat to public safety.
- The estimated cost of wildfire suppression is just over \$1 billion. The total cost will be finalized after the season ends on

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March 31, 2024. This amount does not account for future cost recoveries.

- For 28 days, BC was under a provincial state of emergency.
- An estimated 208 evacuation orders affected approximately 24,000 properties and roughly 48,000 people; an estimated 386 evacuation alerts which affected approximately 62,000 properties and roughly 137,000 people.
- Contributing factors to the 2023 wildfire season were: year-over-year historical drought, climate change, extreme weather events, lack of precipitation and increased lightning activity.
- All six fire centres in BC were impacted by wildfires last season with community impacts felt in every region of the province.
- The province experienced its first fallen fire-fighter loss with two fatalities in 2023: a BCWS crew member and contract fire fighter. Another four firefighters lost their lives in a motor vehicle incident.
- In 2023 wildfire fire activity in Canada was significant with the nation doubling the hectares burned record at over 18.5 million ha.
- National and international resource availability was limited due to extreme activity across Canada.

Background/Status:

- In fall 2022, the unusual late warm and dry weather extended the wildfire season, with 'number of fires per week' records set in mid-October 2022.
- These drought conditions carried over to 2023 and were further exacerbated by a hot and dry spring, with temperatures in May well above seasonal averages. Environment Canada recorded the warmest May on record for 16 of 23 weather stations.

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- The amount of rain received was also considerably lower than historical norms with some areas receiving half the average amount of precipitation.
- The early 2023 wildfire season was predominantly active in the northern half of the province.
- The Province of Alberta experienced similar conditions with a very active spring wildfire season, as a State of Emergency was declared in May. BC was able to support Alberta with wildfire crews, Incident Management Teams, and specialist personnel.
- On June 18, 2023, the Donnie Creek wildfire became the largest recorded wildfire in British Columbia's history. It was detected on May 12, 2023, and was caused by lightning and still remains active today at over 583,000 ha.
- The north experienced multiple Evacuation Alerts and Orders, impacting Tumbler Ridge, Fort Nelson, and in the Northern Rockies Regional Municipality and Peace River Regional District.
- The fire season was further influenced by a significant lightning event in mid-July where over 50,000 lightning strikes swept through the Northwest and Prince George Fire Centres resulting in 224 new wildfire starts.
- The fire season began to transition to the southern half of the province in late July with multiple large-scale incidents and complexes being established in Cariboo, Kamloops, and SE Fire Centres.
- The Coastal Fire Centre was also involved with several incidents; the Cameron Bluffs wildfire on Vancouver Island which impacted BC Hwy 4 for an extended period of time, and the Young Creek wildfire impacting road access in Bella Coola.
- The province experienced several days of wind driven fire activity in mid-August that resulted in extreme fire behaviour on incidents across the province with devastating impacts to communities in West Kelowna, the North Shuswap, Lillooet, and the Fraser Canyon areas.
- The province experienced a large amount of evacuation order reluctance in 2023 with the Adams Lake/Bush Creek fire order area seeing an estimated 300 citizens remaining to stay and defend in an active fire area.
- In early September a wind event in the far north brought many longstanding wildfires back to life with a 400,000 ha area burned in a 48-hour span.
- Throughout the season, 1,800 out-of-province and international personnel were mobilized to assist BC, providing over 35,000 person days of support.
- Resources were gratefully received from Alberta, Ontario, Newfoundland, Saskatchewan, Prince Edward Island, New Brunswick, the United States, New Zealand, Mexico, Australia, Costa Rica, Brazil, and South Africa.

Contact:

Ian Meier ADM BC Wildfire Service 250-643-0078

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Cost of the 2023 Fire Season
Revised: February 2nd, 2024

Issue: Breakdown expenditures for wildfire management.

Response:

- 2023 was the worst wildfire season in the history of British Columbia. Fire management expenditures for the 2023 season will be more than \$1 billion – the highest in provincial history.
- \$204.12 million budgeted for 2023/24 Fire Management Vote. Costs exceeding the voted allocation are funded via contingencies.
- Current forecast for the year ending March 31 is \$1.085 billion.
- The 10-year average cost of wildfire season (excluding current year) is \$394.98 million.
- Previous high was in 2021 at \$808.8 million, inclusive of a \$90-million grant to Union of BC Municipalities for the Community Resiliency Investment program.
- The total cost includes all expenses authorized under the *Wildfire Act*, including prevention activities, and Section 108 of the *Forest and Range Practices Act*.
- Major areas of expenditure as of January 31, 2024:
 - \$319.6 million – Air tankers, helicopters, fuel, and retardant.
 - \$187.3 million – Salaries/wages, including overtime.
 - \$127.3 million – Heavy equipment (bulldozers, etc.)
 - \$90.0 million – FRPA Section 108.
 - \$51.3 million – Out-of-province support (fire crews, incident management teams, etc.)

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- Disaster Financial Assistance Arrangements work – an estimated recovery of \$300 million from the federal government related to wildfire response – is ongoing by BC Wildfire Service finance staff in partnership with Ministry of Emergency Management and Climate Readiness to assess expenditures for eligibility under the program.

Contact:

Ian Meier	ADM	BC Wildfire Service	Phone: 250-643-0078
Dave Fleming	Director Corporate Governance	BC Wildfire Service	Phone: Govern Government Financial

2024/25 Estimates Debate Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Outstanding Wildfire Claims and Litigation (BCWS)

Revised: January 23, 2024

Issue: Outstanding Wildfire Claims and Litigation (BCWS)

Response:

- The British Columbia Wildfire Service (BCWS) Wildfire Risk program is responsible for the adjudication of all private land claims province-wide relating to wildfire.
- BCWS has provided all outstanding 2022 fire season claimants with a letter in January 2024 informing them that the 2-year limitation for their claims is approaching.
- BCWS will continue to allocate staff to resolving compensation claims - it currently has 3 staff tasked to claims and litigation full time and 5 temporary and auxiliary staff.
- The BCWS will work with the Ministry of the Attorney General (MAG) to resolve litigation on favourable terms to the Province.
- The 2023 fire season resulted in 362 claims from 155 claimants:
Of these, 152 have been settled, 174 are ongoing, 19 have been denied, and 17 have been discontinued.

Background/Status:

- As per section 9 of the *Wildfire Act* and section 15 of the Wildfire Regulation, if the government enters private land for fire control and causes damage, then the government must compensate the owner or tenant of that land.
- Section 6 of the *Limitation Act* states that a civil court proceeding must not be commenced more than 2 years after the day on which the claim is discovered.

2024/25 Estimates Debate Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- Advice/Recommendations; Legal Information

- The deadline for claimants to file civil actions related to 2021 wildfires expired in 2023, the deadline for 2022 wildfires will expire in summer 2024. There are some exceptions to this deadline; however, these are unlikely to apply in the context of wildfires.
- As of January 31 2024, BCWS had 1,845 private property compensation claims reported since 2017 fire season.
 - 1,238 of these claims have been settled for a total of \$21.6 million.
 - BCWS has denied compensation to 256 claims, and 129 claims were discontinued.
 - BCWS has 222 remaining claims that are ongoing from all years.
 - BCWS claims has provided compensation offers to all claimants from the 2021/2022 fire seasons, but not all have accepted them.
- Advice/Recommendations; Legal Information

- Advice/Recommendations; Legal Information

Contact:

Ian Meier	ADM	BCWS	250-643-078
Dave Fleming	Director of Corporate Governance	BCWS	Government Financial Information

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: 2023 Wildfire Impacts on Forest Values
Revised: February 5, 2024

Issue: Summary of the impacts of the 2023 wildfires on the provincial fibre supply, young forest and forest carbon

Response:

- In 2023, more than 2.84 million hectares of forest were affected by wildfires.
- 36.3 million cubic metres of merchantable-aged timber were burned or impacted within the timber harvesting land base. This equates to about 1.3% of merchantable volume supporting the AAC.
- The ministry is working with the forest industry and First Nations to prioritize the salvage of accessible burned or impacted timber.
- Almost 200,000 hectares of young forests were also burned or impacted, of which 84,435 hectares are under the legal obligations of licensees to regenerate.
- An estimated 560 million tonnes of greenhouse gases were released during the 2023 wildfires; roughly equivalent to 175 million gas-powered cars operating over a year.
- *See: Minister's Note - 2023 Wildfire Salvage*

Background/Status:

- In 2023, more than 2.84 million hectares of forest were affected by wildfires. This surpasses the previous highest years in 2017 (1.2 million hectares), 2018 (1.3 million hectares) and 2021 (0.9 million hectares).
 - Impacts on Regional Fibre Supply
 - About 36.3 million cubic metres of merchantable-aged timber were burned or impacted within the timber harvesting land base (THLB). This equates to 1.3 percent of the growing stock contributing to the provincial AAC.

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Ministry: Forests
Minister Responsible: Bruce Ralston

- The Peace, Mackenzie, Fort Nelson, and Stuart-Nechako Natural Resource Districts were most heavily impacted, with more than 80% of losses occurring in these districts.

NR Area All Tenures	Current AAC	THLB Mature Volume Total	THLB Mature Volume Burned	AAC Contribution		
	m ³	m ³	m ³	m ³	% AAC	Range (m ³)
Coast	15,551,751	559,613,719	725,079	20,150	0.1%	18,000 to 22,000
North	26,578,027	1,233,931,073	30,739,688	662,112	2.5%	596,000 to 728,000
South	20,039,432	677,026,303	4,869,814	144,143	0.7%	130,000 to 159,000
Total	62,169,210	2,470,571,095	36,334,581	826,405	1.3%	744,000 to 909,000

- Impact on Jobs and Revenue
 - 1.3% of AAC, generates up to 492 jobs, \$70 million in GDP, \$20 million to \$38 million in provincial revenue, and \$44 million in labour income annually in direct impacts.
 - Actual economic impacts are likely lower as the AAC is not fully utilized, with North Area experiencing the highest under-utilization.
- Wildfire Salvage
 - Salvage of burned or impacted timber will mitigate fibre supply impacts and reduce fuel loads to help lower the risk of future fires.
 - The ministry is working with industry and First Nations to identify and prioritize the accessible burned or impacted timber for salvage.
 - Advice/Recommendations; Intergovernmental Communications
- Damage to Young Forests
 - Almost 200,000 hectares of young forests in the THLB were burned or impacted, of which 84,435 hectares are under the legal obligations of licensees to regenerate.
 - In 2024, the ministry and licensees will prioritize 120,000 hectares of burned or impacted young forest for surveying and developing treatments to restore damaged areas.

○ Advice/Recommendations

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

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: BC Wildfire Service Budget 2024 Decisions (Operating and Capital).

Revised: February 5, 2024

Issue: BCWS Budget 2024 Funding Decisions

Response:

- B.C. experienced devastating wildfire seasons in four of the last seven years, with the 2023 wildfire season being the costliest season to date.
- Fire seasons such as the 2023 season with the long duration of intense burning has catastrophic landscape impacts that require multi-year response and recovery efforts.
- BC Wildfire Service is taking action to meet these changes by adapting to how it does its business.
- Budget 2024 decisions are:
 - Operating of \$18.530M annually to secure additional aviation resources, including increased helicopter (\$13.580M/year) and air tanker (\$4.950M/year) availability.
 - Operating of \$9.108M in 2024/25 and Advice/Recommendations; Government in 2025/26 and ongoing for increased staffing resources for structure protection, prevention and risk reduction, wildfire land-based recovery and permanent crew leader positions.
 - Capital of \$20.700M in 2024/25 to construct a new equipment depot and complete a capital plan.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

Operating Budget (\$M)	24/25	25/26	26/27
Existing Base Budget	205.098	205.098	205.098
Budget 2024 Funding	27.638	32.949	32.949
Total Operating Funding	232.736	238.047	238.047

Capital Budget (\$M)	24/25	25/26	26/27
Existing Base Budget	22.650	20.800	18.300
Budget 2024 Funding	20.700	-	-
Total Capital Funding	43.350	20.800	18.300

Additional staffing resources include:

- Structure Protection/Defence positions that would respond to an increase in interface fires (fires involving both buildings and forest fuel/vegetation), support local fire department training, and support risk assessments, planning, and implementation of fuel mitigation activities.
- Wildfire Land-Based Recovery Program to complete assessments of wildfire damage to watersheds, habitats, and cultural values and to support the recovery work.
- Crew Leader funding for permanent positions to address recruitment and retention challenges, support nearly year-round engagement, and the move towards an all-hazards model.

Contact:

Ian Meier ADM BC Wildfire Service 250-643-0078

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Premier's Expert Task Force on Emergencies

Revised: February 7, 2024

Issue: Premier's Expert Task Force on Emergency Management – BCWS Deliverables for 2024

Response:

- BC's wildfire seasons are becoming longer and more severe as a result of climate change.
- BCWS is constantly learning and adapting and welcome the Task Force's guidance to identify where we need to focus on improvements.
- The Premier's Task Force on Emergencies is made up of experts with a depth and breadth of knowledge and expertise in emergency and wildfire management, and has provided focused, constructive and practical recommendations.
- The Task Force is scheduled to wrap up its work on March 1st and government expects to be able to release its recommendations shortly after.
- Dedicated delivery teams have been working on real-time implementation of the Task Force's advice since October, to be ready for the 2024 season.
- The Task Force's recommendations provide a solid foundation for continuing to build a year-round wildfire management approach that integrates the Ministry's many partners, including First Nations, the forest industry, local governments and other groups.

Background/Status:

- The Premier's Expert Task Force on Emergencies ("Task Force") was established in October 2023 to review lessons from recent seasons and provide advice to government on improvements to be implemented before and during the 2024 season. The Task Force will wrap up its work on March 1st, 2024.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

- The Task Force is co-chaired by the Ministry of Forests (FOR) and the Ministry of Emergency Management and Climate Readiness (EMCR) and includes members from First Nations, local governments, structural fire departments, emergency management organizations, wildfire management experts from other jurisdictions, and senior officials from FOR, EMCR and the Premier's Office.
- The Task Force is focusing on nine specific deliverables:
 - Enhance **Wildfire Predictive Services** current technology including the use of Artificial Intelligence and other technologies (FOR lead)
 - Planning for incorporation of **local volunteer resources for wildfire response** (FOR lead)
 - Improve **integration of rural and municipal fire departments into BC Wildfire Service** response in the wildland urban interface (FOR lead)
 - Review and update the **Wildfire Emergency Response Strategy** (FOR lead)
 - Strengthen community participation in all disciplines of **FireSmart (FOR lead)**
 - Identify effective expansion opportunities in **wildfire prevention programs** (FOR lead)
 - Enhance the **Evacuation Registration Assistance (ERA) tool** to provide fully digital support for evacuees (EMCR lead)
 - Modernize and enhance community delivery of **Emergency Support Services (ESS)**, including post-wildfire support (EMCR lead)
 - Identify opportunities to assist First Nations and local authorities to improve **evacuation order and alert awareness and compliance** (joint MOF/EMCR lead)
- The Task Force was asked to provide action-oriented advice, and MOF delivery teams have been integrating this advice in real-time to make improvements for implementation before and during the 2024 season. These improvements will be rolled out as they are finalized for implementation in advance of the 2024 season.
- The Task Force's recommendations focus on strengthening communication and integration among emergency management partners; taking a citizen-centered approach; and building capacity across all partners.

Contact:

Ian Meier

ADM

BC Wildfire Service

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Prevention and Risk Reduction
Revised: February 08, 2024

Issue: Wildfire Prevention and Risk Reduction

Response:

- The Province has invested approximately \$525M across numerous funding streams and initiatives to date since 2004 for both Crown Land and community-focused wildfire risk reduction, with significant funding increasing after the 2017 wildfire season.
- BC Wildfire Service (BCWS) Prevention program administers the Community Resiliency Investment (CRI) to address wildfire risk reduction on crown land and in communities across BC with two key complementary funding categories: FireSmart Community Funding and Supports (FCFS), and Crown Land Wildfire Risk Reduction (CLWRR).
- The BC government announced a \$40M per year commitment to reduce wildfire risk as part of Budget 2022, 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, the Federation of BC Woodlot Associations, and BC Ministry of Agriculture and Fisheries to support wildfire risk reduction initiatives across the province.
- The FireSmart program has seen considerable growth throughout British Columbia, with significant increases in community participation of FireSmart across the province.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

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 BC Municipalities (UBCM) and is coordinated with First Nations Emergency Services Society (FNESS) for applicable communities.
- As part of Budget 2022 the BC 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	\$ 10,464,935
Total	\$ \$58,223,080.00

*Table note: *the total amount of approved funding as of December 2023 is \$73.8M, though some applicants later did not receive full approved funding due to withdrawn applications or projects that came in under budget. For 2023 applications now available for two-year durations, 50% of funds are dispersed on approval with the eligible balance paid after the project is complete. Approved applicants can request progress payments, which changes the approved/dispersed funds ratios. \$21.85M has been approved for 2023.*

- 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.
 - 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.

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Minister Responsible: Bruce Ralston

- CLWRR is coordinated with BC Parks MoF Regional Operations, the Range Branch, and the Ministry of Tourism, Arts, Culture and Sports' Mountain Resorts Branch, and as of 2023, some projects are being coordinated with the Ministry of Water, Lands, and Resource Stewardship
- The annual funds expended since CLWRR program launch are as follows:

Fiscal Year	CLWRR Program
2019/2020	\$ 7,.32M
2020/2021	\$ 15.56M
2021/2022	\$ 16.65M
2022/2023	\$ 15.59M
2023/2024	\$ 18.69M*
Total	\$73.81M**

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

***Approximately \$25M is allocated for 2024/2025 as the program receives Annual Operating Plans from delivery partners that include 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 39 full-time positions.
- In 2020, the BC 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 BC, 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.
- The Columbia Basin Trust (CBT) 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.

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Ministry: Forests
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- This partnership has been continued in 2023/2024 with an additional \$1.5M. The most recent intake in winter 2023 has funded 20 projects totalling \$2.5M with top-up contributions from CBT.
- 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 has funded wildfire resiliency work up to 2023.
- 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)*	2022-2024	\$80M
FESBC	2016-2022	\$79.5M
FNESS community support	2023	\$5M
Total**	2004-present	\$525.5M

**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, Federation of BC Woodlot Associations, 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)*

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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: FOR strategic forestry funding programs

Response:

- Since 2003, FOR has transferred over \$866 M in forestry revenue to First Nations for potential impacts to Rights and Title through Forest Consultation and Revenue Sharing Agreements (FCRSAs).
- FCRSAs provided ~\$160 M to 138 FN in 23/24 fiscal, compared to \$107M in the previous fiscal. The increase in revenue sharing was propelled by the 2022 interim rate enhancements (which more than doubled revenue sharing), strong lumber markets and increased agreement uptake by First Nations.
- Fiscal year 24/25 is poised to be a peak year for revenue sharing. Advice/Recommendations; Intergovernmental Communications
Advice/Recommendations; Intergovernmental Communications
- Under the *Declaration Act Action Plan*, the Province is committed to co-developing a comprehensive New Fiscal Framework (NFF) with First Nations. The New Fiscal Framework will replace the existing FCRSA program. We continue to co-develop a comprehensive framework while also making tangible progress in forestry.
- In addition, FOR continues to support the advancement of strategic First Nation forestry initiatives through funding provided through the Indigenous Funding Program and the Strategic Funding Envelope.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Background/Status:

- **New Fiscal Framework**

- In April 2022, the B.C. government announced an intention to co-develop a new forestry revenue sharing as a next step towards a New Fiscal Framework, targeting April 1st, 2024 implementation.
- Advice/Recommendations: Intergovernmental Communications

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- **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. The FCRSA program has provided over \$865.8M in forestry revenue-sharing with First Nations since its inception.

- In 2023/24, ~138 First Nations held FCRSA agreements, allocating approximately \$160M in revenue sharing to First Nations (compared to \$107M in 2022/23)
- Advice/Recommendations: Government Financial Information

- FCRSA forecasts for future fiscals are expected to fall, due to a declining AAC and lower lumber prices.

- **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 FY23/24, FOR accessed IFP funding for 34 projects totalling approximately \$16.4M (including FOR's SFE program).

- **Strategic Forestry Envelope (SFE)** is an IFP subprogram that serves to provide forestry accommodation measures. SFE supports First Nations across BC to purchase tenure or forestry business assets, build capacity required to engage in business partnerships and, conduct studies and analysis to better inform strategic land management.

- From FY16 to FY24, the Province has signed approximately 485 SFE agreements constituting \$87M in funding.

2023/24 Estimates Note Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

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**2024/25 Estimates Note Template
Advice to the Minister**

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Forest Worker Community Supports and Council

Revised: February 8th, 2024

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.
- Our continued effort to develop a whole-of-government approach with ministries and agencies working together to streamline programs, fill gaps in support and address local issues has been recognized by those accessing our services.
- The programs have had widespread impact including building economic development capacity, diversifying economies, reducing job loss and supporting communities in transition
- The Forestry Worker Supports and Community Resiliency Council, announced in October 2022, is providing 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 is supporting 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.

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

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 communities. The Ministry of Forests supports JEDI, PSFS, and LBR with the delivery of these programs.
- Funding was allocated towards the FWCS over three fiscal years (FY 22/23 to FY 24/25) and includes the following JEDI programs:
 - 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.
 - In FY 22/23, almost \$12 million funded 99 land-based projects (e.g., forest service roads, recreation sites and trails, etc.). For FY 23/24, the program is currently administering up to \$9.2 million in funding.
 - Final program results are expected to be available April 1, 2024.
 - Rural Business and Community Recovery Initiative (RBCRI):
 - Hires advisers to help create jobs and support rural businesses and communities in hard hit areas. The \$4.5 million in funding has been distributed to the Northern Development Initiative Trust, the Economic Trust of the Southern Interior, and the Island Coastal Economic Trust to be administered through regionally focused programs.
 - 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):
 - Promote economic diversification, clean growth and infrastructure development and prioritizes applicants impacted by changes in the forest sector. Eligible applicants include local governments, regional districts, Indigenous communities and organizations, Indigenous development corporations, and not-for-profits.
 - In FY 22/23, REDIP approved \$66 million for over 200 projects, with \$11.6 million going to 42 projects in forest impacted areas. For

2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

FY 23/24, REDIP has up to \$33 million and applications are currently under assessment.

- Final program results are expected to be available April 1, 2024.
- The funding 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 capital projects that help the forest sector transition to value-add manufacturing with an additional \$180M in funding for FY2023/24 to FY2025/26.
 - To date, 66 percent of publicly announced funding has supported the forest sector, totaling \$29.8 million towards 32 organizations and representing 398 forest sector jobs being created and 907 at-risk jobs protected.
- 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 representatives, academia, and non-governmental organizations. The mandate of the Council is to advise on existing and new FWCS programs:
 - 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.*
 - 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.

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2024/25 Estimates Note Template Advice to the Minister

Ministry: Forests
Minister Responsible: Bruce Ralston

Title: Proposed Fort Nelson First Nation and Peak Pellet Plant

Revised: February 8, 2024

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 Licenses and new replaceable and non-replaceable forest licenses.
- Advice/Recommendations; Interests of an Indigenous People
- Impacts to the project as a result of damage to the existing rail line infrastructure from the catastrophic 2023 wildfires are not yet fully understood.
- 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 license (RFL) and facilities in Fort Nelson with the intention of constructing a 600,000 tonne/year industrial wood pellet facility.
- Government Financial Information

Government Financial Information Fort Nelson was economically impacted with the closure of the Canfor

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Advice to the Minister

Ministry: Forests
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- sawmill, OSB plant, plywood plant, and the downturn in the oil and gas sector.
- 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; Cabinet Confidences; Government Financial Information

- 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.
 - Advice/Recommendations; Intergovernmental Communications

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Advice/Recommendations ; Intergovernmental Communications

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