

Sustainable Forest Management Committee
“Ensuring the CSA Standard”

SFM Committee Meeting

January 27, 2011

Tolko Woodlands Meeting Room

A. Introduction

1. Welcome:

Ron Black welcomed attending members to the meeting and acknowledged newcomers John Marnock from the Town of The Pas, and Robert Hanson from Mafeking who returns to the SFMC on behalf of the Rural District of Mountain.

It was noted the portion of the meeting scheduled for a guest speaker might be rescheduled for further review of the indicators and a PowerPoint presentation depending on available time.

2. Agenda Summary

The agenda was reviewed and approved.

B. General Business:

1. Review and approve previous meeting minutes November 24/25, 2010:

Minutes of the November 24/25, 2010 meeting were reviewed. Regarding the attendance, Will Trowell noted there are two L's in his surname and also that he had left early in the presentation on the 25th so the attendance should reflect that. Minutes were approved as corrected.

2. Business Arising from the Minutes:

Richard Gibbons asked about Tolko's effort to clarify the timeline discrepancy with QMI. Paul Chapman reported that he had notified Rod Seabrook of the committee's comments on wording of the definition of non-conformance and he would advise QMI who was the originator of the template.

Richard Gibbons asked for the follow-up on the waste generator license; contractors have been advised of this requirement in the past. Paul responded that Tolko will have a consultant to address issues particularly related to fuel and oil legislation at the next contractor meeting.

Ron Black noted at last meeting Mary Head had commented about the difficulty experienced by Tolko to meet standards that seem to constantly increase and further problems resulting from meeting the standards when attempted road closures are not approved officially by the government. Ron Black recalled Ms Head intended to prepare notes for some type of formal comment to the auditors by the committee concerning this matter. Richard Gibbons noted the ongoing issues of delay to have the government respond to proposed road closures. It was suggested the FRDPs could be used as a tool to press MC for permission to close roads or release the company. Once DFO approval to close a road is received than the clock is ticking and puts pressure on MC. Further discussion occurred about government regulations concerning road and stream crossings and the subject of prevention of soil disturbance.

Why is Mitchell Lake road not showing as up for closure? Paul Chapman responded that it was TLE although he has been hearing rumours that it will be dropped soon.

Ron Black reported little progress to set up an off site conference. Committee is still interested in having Ron set up something out of Thompson including a tour at Wuskwatim dam.

Discussed the schedule and potential to go back to four (4) meetings per year. Paul Chapman would like at least one more meeting on the short cycle to wrap up the indicators, and then move back to the quarterly meeting cycle.

Committee set the following schedule for the remainder of the year: March 3rd

Quarterly Meetings

April 7th

June 23rd

September 8th

Chairperson Black noted a forest industry report should have been included on the agenda and requested Doug Hunt, Woodlands Manager, provide a general report about the industry to the committee.

Summary of report:

Sawmill:

- Hunt noted although there has been a slight improvement in lumbers prices there is no consideration for re-opening the sawmill in the foreseeable future. Current prices are about \$300/1000 and about \$400/1000 is needed to consider resuming sawmill operations. The current price is being influenced by sales to China. Hunt noted that a relatively low new home construction rise in the US could really spike prices as a lot of production is tied up with the contracts to China right now. However foreclosures in the US are increasing. The Canadian starts are steady.

Papermill:

- Paper prices and sales remain good; the high Canadian dollar is of concern though. With the sawmill down the site requires less total volume. As a result, the contractor workforce was reduced. Only 800,000 m3 is being consumed per year now.

Woodlands:

- At present, operations include three chippers in the bush and the use of a chipper in the yard is planned. The mill is getting a lot of wood from Saskatchewan right now. This is expected to dry up over the next couple of years as the PA mill comes on stream as a rayon mill.
- Hunt gave an update on the Softwood Lumber Agreement. Additional duties expected as a result of the London Court of Appeal.
- Discussion about plan to straighten out the curve on the Carrot Valley road; with fewer Saskatchewan deliveries that may not be required.
- Discussed there might be more logging in Thompson to compensate loss of Saskatchewan wood.
- Increasing shortage of truck drivers is also becoming a concern.
- Suggestions from members that KRC might become a more reliable source of wood delivery soon and that a drill crew staying at the Optic siding was leaving quite a mess.
- Bob Huck inquired about the possibility of stockpiling wood for future supply. Hunt responded the financial cost of doing so is a disadvantage.
- Hunt also noted that OSB operations continue to struggle; The High Prairie plant is closing and the Slave Lake plant mothballed.

Community meetings for the forthcoming year of forest operations have been occurring and planner, Mike Paddock will be invited to the next meeting to present the 2011 plan set to commence June 1st.

C. New Business

1. Member meeting assessment review:

A summary of the last meeting member assessment was reviewed. There was a single respondent (out of 6 responses) who was not satisfied by last meeting's presentation with regard to the factual information of the Treaty Rights presentation. Paul Chapman and Ron Black agreed to attempt a meeting with the individual to understand resolve the response.

Editor note: Research sources for the Treaty Rights presentation included:

- Historic Treaties in Canada, published by the authority of the Government of Canada, 2007
- Permission To Develop, Aboriginal Treaties, Case Law, and Regulations, Jerry P. White, Paul Maxim, and Nicholas Spence, University of Western Ontario, Thompson Educational Publishing, Inc., Toronto, 2004,
- Aboriginal Consultation-The Challenges For Industry. Presentation to CBA Corporate Counsel Subsection, October 15, 2008, Aldo Argento and Everett Bunnell, Q.C.

2. Public Concerns Table: Public concerns table was reviewed. There were no public concerns expressed to Tolko since the last meeting.

3. Notice of Chairperson Election:

Group discussed if there was a need to put a formal request to the membership at large looking for nominations. Group felt that as it had been on the agenda for the last two meetings with no feedback it time to put it to the vote. Ron Black offered to stand again; no other names came forward. It was motioned, seconded and carried to re-elect Ron Black for a second term.

4. Review Tolko Annual Report:

The *draft* annual report was reviewed. This is the second year that the cost comparison survey could not be done because there were not enough remaining mills to do a fair comparison with. The committee felt that when the indicators were developed the members were not aware that reporting was subject to factors out of the members' control (this applies to the rail haul indicator as well) and suggested that the committee put the indicator in abeyance until such time as the survey is re-established or the indicator is replaced. (Passed).

Lunch

5. Indicator Review:

Core Indicator 1.1.1, Ecosystem area by type.

Group discussed how landscape management could impact this concept. Currently the Province is reviewing landscape management at the Forest Practices committee, but it would require senior government level buy in prior to any changes being adopted. To that end a white paper is in development.

The current target of all harvest blocks being regenerated to the provincial standard was accepted by the group to meet this indicator.

Core Indicator 1.1.2 Forest area by type or species composition.

Following discussion decided this indicator is met by the target of all harvest blocks being regenerated to the provincial standard.

Accepted by the committee as satisfactory in its present form.

Core Indicator 1.1.3 Forest area by seral stage or age class.

Discussed role of fire in ecosystem. Unlikely that fire will be excluded so it will continue to be the major driver in many parts of the DFA. AAC is designed to normalize the age class structure over time, and following the AAC will help to provide balance to the age class structure. Noted that the AAC would be adjusted following major fire events. Committee feels that current target on harvest levels within the AAC would meet this indicator.

Accepted by the committee as satisfactory in its present form.

Core Indicator 1.1.4 Degree of within-stand structural retention.

Discussed need for changing the target around standing structure to incorporate requirement for diameter class targets based on PHFI information. There has been an improvement as a result of the current target resulting in lots more structure being left but how does it address diversity. Paul and Richard will do a field visit in March to assess how the existing target provides for a range of diameters. Discussed education of buncher operators (Richard would be willing to speak at a contractor meeting). A couple of members thought the indicator could be improved even if only by documenting the diameter distributions under the existing target. At this time the current indicator will not be changed.

Accepted by the committee as satisfactory in its present form.

Core Indicator 1.2.1 Degree of habitat protection for selected focal species, including species at risk.

Discussed the current emphasis on caribou both federally and locally. Concept of how protection of one species will result in provision of habitat for numerous other species. Committee agreed that at this time caribou are recognized as the species at risk and felt that caribou should be the focal species on the DFA now. Naosap management strategy may have to be revisited following the fire. Discussed changing the target to implement new strategies as they are developed. Regarding caribou and logging, it was noted that without a forest industry there would likely be no fire protection for much of the range. Some indication that maybe it is all range and really just one herd up here (as Ontario determined) rather than isolated herds. No one really knows when and where the caribou move or reside. Perhaps then just not cutting more than a certain percentage of total range in a single period would ensure habitat. Suggested replacement is to implement forest management strategies for pertinent woodland caribou ranges. (Company thinks that the North Dickstone Road would be the next big push for a strategy).

The next meeting was scheduled for March 3, 2011 for completion of review of indicators. An executive summary of reviewed indicators to be prepared for the meeting.

Meeting adjourned. **3:00 pm**

Attendance
January 27, 2011
Paul Chapman
Richard G. Gibbons
John Marnock
Will Trowell
Bob Huck
Robert Hanson
Doug Hunt
Ron Black
Troy Werstroh