

FORESTS OF CANADA: THE FEDERAL ROLE

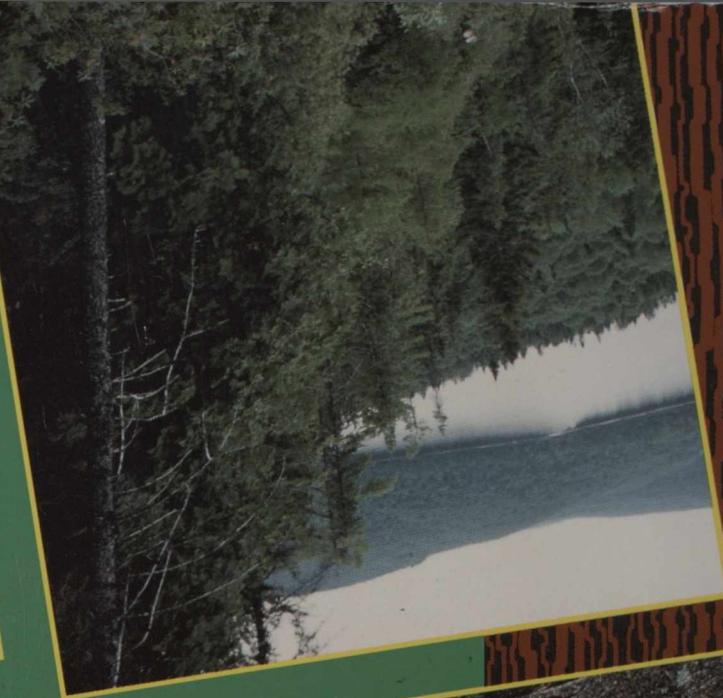
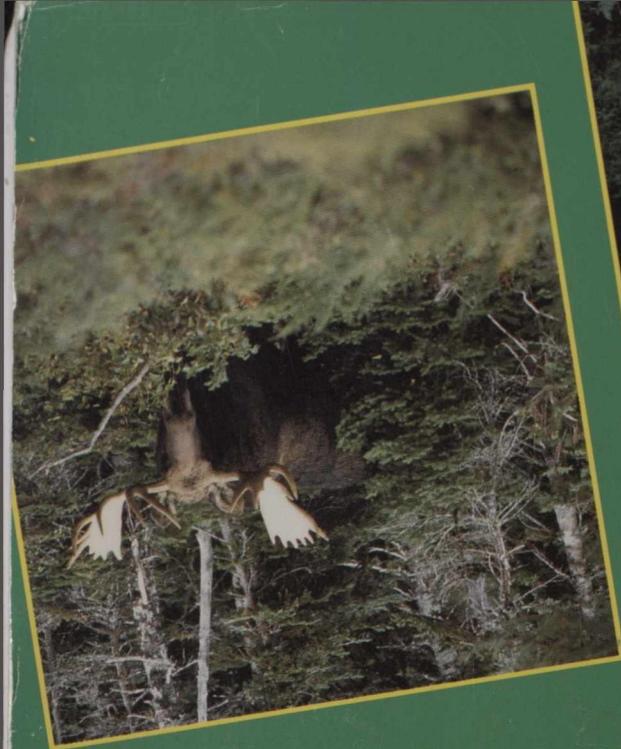
REPORT OF THE STANDING COMMITTEE
ON FORESTRY AND FISHERIES

NOVEMBER 1990

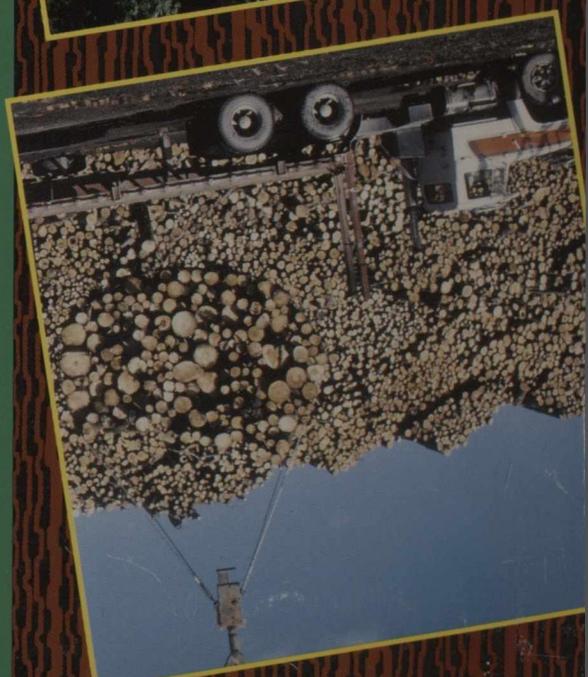
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HOUSE OF COMMONS



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HOUSE OF COMMONS FORESTS OF CANADA: THE FEDERAL ROLE

Issue No. 17

Parcours n° 17

Tuesday, February 13, 1990

Le mardi 13 février 1990

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Wednesday, June 13, 1990

Le mercredi 13 juin 1990

Thursday, October 11, 1990

Le jeudi 11 octobre 1990

Chairman: Charles-Eugène Marin

Président: Charles-Eugène Marin

**"IF CANADA IS EVER GOING TO PRACTISE
SUSTAINABLE DEVELOPMENT SUCCESSFULLY,
IT MUST BEGIN IN OUR FORESTS!"**

Forestry and
Fisheries

Forêts et des
Pêches

RESPECTING:

**Second Report of the Standing
Committee on Forestry and Fisheries**

Pursuant to Standing Order 108(2)

108(2) du Règlement, article des
affaires des pêches

Pursuant to Standing Order 108(2) consideration of the
role and terms of reference of the Department of
Forestry

Conformément à l'article 108(2) du Règlement, l'étude
de rôle et du mandat du ministère des Forêts

INCLUDING:

Y COMPRIS:

The Second Report to the House

Le deuxième rapport à la Chambre

Forest of Canada: The Federal Role

Le rôle du fédéral

**Charles-Eugène Marin, M.P.
Chairman**

**Bud Bird, M.P.
Chairman
Sub-committee on Forestry**



November 1990

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FORESTS OF CANADA: A FEDERAL ROLE

IT MUST BEGIN IN OUR FORESTS?
SUSTAINABLE DEVELOPMENT SUCCESSFULLY
IF CANADA IS EVER GOING TO PRACTISE

Second Report of the Standing

Committee on Forestry and Rangelands

Charles-Édouard M. M. M.

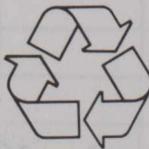
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Issue No. 17

Tuesday, February 13, 1990
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Thursday, October 11, 1990

Chairman: Charles-Eugène Marin

REPORT TO

CHAMBRE DES COMMUNES

Fascicule n° 17

Le mardi 13 février 1990
Le jeudi 29 mars 1990
Le mardi 22 mai 1990
Le mercredi 13 juin 1990
Le jeudi 11 octobre 1990

Président: Charles-Eugène Marin

Minutes of Proceedings and Evidence of the Standing Committee on

Procès-verbaux et témoignages du Comité permanent des

Forestry and Fisheries

SECOND

Forêts et des Pêches

RESPECTING:

Pursuant to Standing Order 108(2), study of Fisheries issues

Pursuant to Standing Order 108(2), consideration of the role and terms of reference of the Department of Forestry

INCLUDING:

The Second Report to the House
Forest of Canada: The Federal Role

CONCERNANT:

Conformément à l'article 108(2) du Règlement, étude des questions touchant les pêches

Conformément à l'article 108(2) du Règlement, l'étude du rôle et du mandat du ministère des Forêts

Y COMPRIS:

Le deuxième rapport à la Chambre
Les forêts du Canada : le rôle du fédéral

Second Session of the Thirty-fourth Parliament,
1989-90

Deuxième session de la trente-quatrième législature,
1989-1990

CHAMBRE DES COMMUNES

HOUSE OF COMMONS

Président Charles-Émile Martin
Le jeudi 11 octobre 1990
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Le jeudi 29 mars 1990
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Chairman Charles-Émile Martin
Thursday, October 11, 1990
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Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries in French
Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries in English

Forêts et
Pêches

Forestry and
Fisheries

CONCERNANT
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1989-1990

Second Session of the Thirty-fourth Parliament
1989-90

REPORT TO THE HOUSE

A REPORT PREPARED BY THE SUB-COMMITTEE ON FORESTRY

The Standing Committee on Forestry and Fisheries has the honour to present its

SECOND REPORT

In accordance with its mandate under Standing Order 108(2), your Committee assigned to its Sub-committee on Forestry the responsibility to assess the federal role in achieving sustainable development for Canada's forests. The Sub-committee on Forestry has submitted its First Report to the Committee. Your Committee has adopted this report unanimously and without amendments. It reads as follows :

Members of the Standing Committee on Forestry and Fisheries

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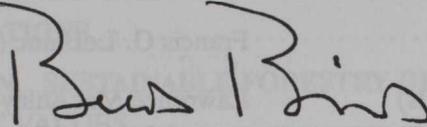
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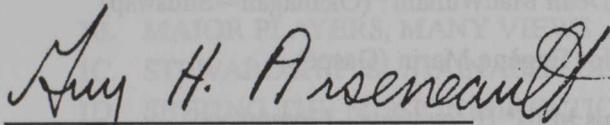
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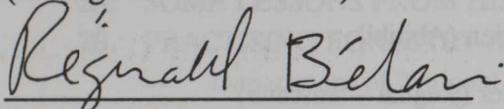
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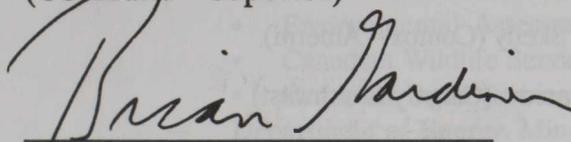
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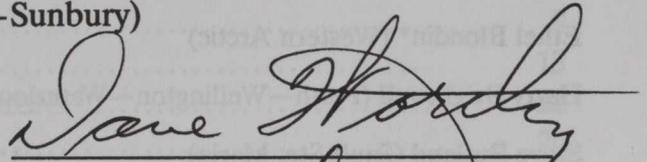
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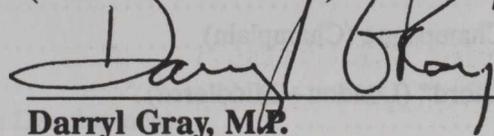
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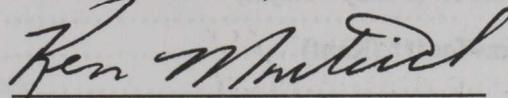
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FORESTS OF CANADA: THE FEDERAL ROLE

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FORESTS OF CANADA : THE FEDERAL ROLE

FOREWORD

We feel that important new ground has been broken for forestry in Canada with this Report. It poses real and practical directions by which *sustainable development* can be translated *from concept to reality* in Canada's forests.

The first ever full-fledged federal Department of Forestry was established with unanimous support from the House of Commons in 1960. Little more than five years later, for a variety of causes and excuses, that department was gone. Today, the reasons for having such a federal department are far more compelling because of the new imperatives of sustainable development.

We share the persuasive logic of this Report for a new and expanded federal role in forestry. Our conviction has been fostered by its thrust, which describes *the mission, the mandate and the means* by which federal leadership can become effective in the pursuit of sustainable forestry development in this country.

One fact seems abundantly clear, the Canadian public is insisting, and none too soon, upon a binding commitment from its governments to take effective action for the practical application of the concepts of sustainable development. Because our forests hold such a commanding position in both Canada's economic and environmental perspectives, *the obvious place to start with sustainable development is in those forests.*

The forest resources of Canada have served as the backdrop for much of our history. Although that initial record was painted largely in economic terms, there has been a rising consciousness in recent years of the environmental values associated with forest land. Fish and wildlife, fresh water, recreational access and wilderness areas have become new priorities, in parallel with timber. Additional demands have been made to consider the implications of whole forest ecosystems, biological diversity, and such contentious issues as the process of clear-cutting and the harvesting of old-growth forests.

Global concerns are even more disturbing. Environmental tragedies, such as the destruction of tropical forests and the long range transport of air pollutants, are now intensified by such threats as ozone depletion and global warming. Factors like these gave rise and prominence during the latter years of the 1980s to *the United Nations' Commission on Environment and Development*, the Brundtland Commission, and its report, "*Our Common Future*". It has been from those deliberations that the powerful new concept, *sustainable development*, has emerged and been articulated throughout the world.

It is in that context, both national and global, that Canadians have come to ponder deeply their traditional forest values, and to debate vigorously a series of penetrating questions. How will forest land use accommodate major shifts in social goals? In what manner will we reach consensus about forestry decisions? Can we embrace sustainable development without a vision of our forests? Let us put these questions even more succinctly: *What is the destiny for Canada's forest legacy?*

The debate on these pressing forest issues has motivated the federal government to move in major ways. A Ministry of State for Forestry was created in 1984, almost twenty years after the demise of the original department. Full status was restored to the department with Bill C-29 in February of this year. About that same time, the Commons' Sub-committee on Forestry was authorized to examine the mandate and terms of reference for a *new Forestry Canada*, and to recommend upon its future role and relevance.

As this Report strongly states, *the federal government must seize the forest imperative*. Otherwise, the mission towards sustainable forestry development will fail. The time has come to demonstrate the federal forestry commitment, both in the halls of power at Parliament and on the ground in the forests of Canada.

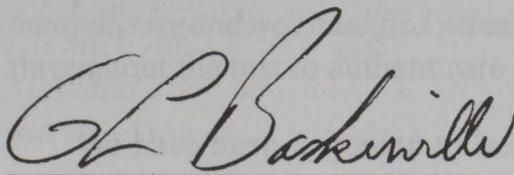
While revealing no pretence upon the authority or jurisdiction held by the provinces over most crown lands, this Report describes well *the partnerships that must prevail*. Stewardship cannot be practised by any one party alone. The responsibilities must be shared—between governments, with industry, and among the broad range of professional, environmental and individual interests which pertain to our forest resources.

There is not a contest to win, but rather *a consensus to build*. That is surely the message from the great majority of Canadians who recognize the multiple values of our forest lands, and who want to see an end to prolonged conflicts about their use. Given visionary *leadership* by both federal and provincial forest ministers across Canada, and in *partnership* with stakeholders throughout the private sector, *a Canada Forests Accord* can be crafted to express the interdependence which must eventually be realized from the process of consultation, consensus and commitment.

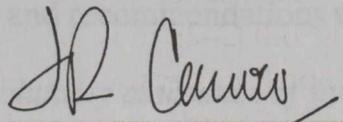
Sustainable forestry development is the goal. It will require the dedication of all concerned. Federal leadership should play a particularly unique and strategic role, not entirely new, but certainly more crucial than ever before.

Sustainability does not mean status quo. True stewardship for future generations means enhanced values and volumes from the forests, and therefore a wider range of choices. Therein lies the path to consensus, to make those choices in common accord and always in the context of sustainable development.

We do, therefore, support and endorse the analysis and the conclusions of this Report. Its recommendations *do* constitute a mission, a mandate and a means by which, in our view, sustainable forestry development can be fostered and nurtured from concept to reality in Canada. The forest challenge has been cast to the federal government in most compelling terms. We urge the government — through its Departments of Forests — *to accept that challenge and to meet it!*



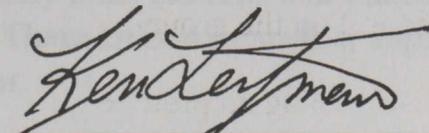
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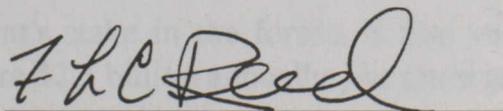
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FORESTS OF CANADA : THE FEDERAL ROLE

SYNOPSIS AND RECOMMENDATIONS

This Report addresses *the terms of reference and the mandate for the new federal Department of Forestry* which was created by Bill C-29, *the Department of Forestry Act*, proclaimed into law in February of 1990.

The Sub-committee on Forestry has heard a broad range of witnesses and received many submissions over the past ten months. The following recommendations are presented for consideration by Parliament to enhance and strengthen Forestry Canada in its role towards the goal of sustainable development in Canadian forestry.

The conclusions of the Committee are primarily based on evidence received from *many diverse and well qualified witnesses*. Therefore, we have chosen to use *direct quotations* throughout the text to authenticate the judgements and recommendations we have made.

We have been fortunate to benefit from *the voluntary assistance of five distinguished educators from forestry faculties in Canadian universities* by way of professional and editorial advice. In addition to their own direct testimony as witnesses, they have combined to author the Foreword, which we trust adds to the validity of the Report.

Any consideration of the federal role in forestry must examine and understand the present circumstances pertaining to those forests. There are *two compelling imperatives* at work, frequently in critical conflict with each other.

The first imperative is the enormous contribution to *Canada's economy* from its forests, upon which the country is sorely dependent. This importance is emphasized by more than \$40 billion in annual shipments. Almost one million jobs are provided to Canadians directly or indirectly by the forest industry. The net balance of trade in forestry *exceeds* that of agriculture, mining, energy and fisheries *combined!*

The federal government's stake in the forests is also very real in financial terms. Federal forestry revenues are \$2.3 billion annually, *five times greater* than federal forestry expenditures.

The second imperative is the realization that our forests are the very essence of *Canada's environment*. Forests cover almost half our national landscape; they provide an abundance of recreational, cultural and even spiritual pursuits; their ecology contributes profoundly to clean water and clean air. *Canada's forests are indeed a national treasure!*

The challenge is to reconcile these often conflicting imperatives, *economic and environmental*. That is the core of *sustainable development*, and if this concept is ever going to be practised successfully in Canada, *it must begin in our forests!*

The Committee believes the mission for the new federal Department of Forestry must be to help create the circumstances for *sustainable forestry development*. *What is the way towards sustainable development in Canada's forests? Especially, what is the federal role when Canada's forest resources are primarily within provincial jurisdictions?*

We believe the mission must be one of *partnership*, one which respects the authority of provincial governments over most forest resources, while offering federal help to share in sustainable forestry development as a national and international cause. This means adoption of *stewardship* of forest resources as a guiding principle, but also recognition that *stewardship cannot effectively be practised by any party alone*.

(Please read Recommendations — 1, 2 and 3.)

The federal role must provide for creative and sharing leadership, reflecting the capabilities and expertise which the federal government can bring to the practice of forestry in Canada. To achieve this, the new Department of Forestry must be endowed with convincing strength and stature *by the federal government itself*.

Such a *mandate* will first be found *in Ottawa*. It should be expressed as a priority that parallels the importance of our forests to the nation. It should be demonstrated *in one single major department* with concentrated relevance and strong influence, a Department of Forestry with *real clout* in the halls of federal power!

Therefore, we emphasize that our recommendations to strengthen Forestry Canada are considered *pivotal* to the thrust and substance of this Report.

(Please read Recommendation — 4.)

The Committee has recommended an expanded *organizational* mandate. We also propose a new *operational mandate* for Forestry Canada, to provide improved forest management and stewardship on federally-owned lands: National Defence bases, Indian Reserve forests and Canadian Parks.

(Please read Recommendations — 5, 6, 7, 8, 9, 10, 11, 12 and 13.)

We have stressed the need for an increased capacity in Forestry Canada's traditional area of expertise for world class *scientific research and technological development*.

(Please read Recommendation – 14.)

Two other dimensions are essential to the Forestry Canada mandate. The first is clarification and confirmation of the *constitutional responsibilities* of the federal government in forestry where they do exist, directly or indirectly. The second is a commitment of *human and financial resources* sufficient to fulfill the mandate *in real terms*.

On these two counts, the Committee has clearly expressed its views. Important areas of legitimate federal intervention in forestry have been reviewed, and improvements to Bill C-29 have been suggested. To fund the federal role, we propose increased commitments to the base budget of Forestry Canada, and we recommend that the entire program of Forest Resource Development Agreements (FRDAs) *be directed* by the new Department of Forestry.

(Please read Recommendations – 15, 16 and 17.)

Beyond the mission and the mandate, our Committee suggests in both conceptual and practical terms *the means* by which Forestry Canada can help to bring about sustainable forestry development. To translate theoretical concept into practical results will mean *partnerships in action*. It will require both *a process* and *a structure* to seek consensus about two basic questions — *What do we want from our forests? How can we ensure the sustainability of those demands?*

The search for such a forests vision must be a *national process*, and it has already commenced in several provinces. That process needs to be nurtured in every corner of Canada, and the consensus should be convened through an existing and proven structure, *the Canadian Council of Forest Ministers (CCFM)*. As a national vision for our forests takes shape, and as the commitments of interdependence to attain it are made, a formal working document, *a Canada Forests Accord*, should be developed to give the entire concept credibility.

(Please read Recommendation – 18.)

The means to success for Forestry Canada must include major measures to help lead the way. For example, *the facts about forestry* must be developed and shared in a national co-ordinated perspective through a comprehensive *database and inventory system*. The principles of stewardship must be advanced through *public education and communication*, and through enhanced standards of *professionalism*. The *working woodlot* must be established on a stable basis. The mysteries of *relative forest values*, Crown versus private ownership and comparative stumpage rates, must be resolved. *Partnerships* in all such measures must prevail.

(Please read Recommendations – 19, 20, 21, 22, 23 and 24.)

In conclusion, the Committee believes there *is* a unique and essential *federal role* in Canada's national forests strategy. Working closely with all stakeholders, but particularly with the provinces and the territories, and with a strengthened mandate to do so, the new Department of Forestry can contribute dramatically to attaining the remarkable reality of *sustainable forestry development* in Canada.

It is a mission for *all* forests ministers, as a partnership through the *Canadian Council of Forest Ministers*, inscribed for history as the *Canada Forests Accord*. It is a *national mission*, in which Forestry Canada must play a *leading national role!*

RECOMMENDATIONS

RECOMMENDATION NO. 1 — The Committee recommends that the following conclusions be adopted as the philosophical foundation for the basic mission of the new federal Department of Forestry:

- (i) The principles of sustainable development and stewardship must be the basis for public policy concerning the management of Canada's forests, both now and in the future.
- (ii) The responsibilities for stewardship to achieve sustainable forestry development rest broadly in an interdependent manner with all stakeholders in Canada's forest resources, although policy and land management decisions belong primarily to provincial governments in their respective areas of ownership and jurisdiction.
- (iii) In terms of developing a national forests strategy, and convening a national consensus among all interests to ensure the successful implementation of that strategy, the new federal Department of Forestry must play a leading role, in co-operative and collaborative partnerships with the provinces, the territories and all other stakeholders.

RECOMMENDATION NO. 2 — The Committee recommends that, as the basic mission for the new federal Department of Forestry, it be charged with initiating and developing a process and a structure for the design, planning and implementation of sustainable development in Canada's forests, in a manner that will reflect these key perspectives:

- (i) to help sustain and carefully expand Canada's diverse use and enjoyment of its forest resources, recognizing that increased future development of the forests may prove essential to those goals;
- (ii) to fulfill Canada's obligation to help sustain the earth's ecosystems on a global basis;
- (iii) to help accomplish the foregoing while fully respecting the basic constitutional authority of the provinces for most forest management in Canada.

RECOMMENDATION NO. 3 — The Committee recommends that, in the context of its mission and to fully embrace a comprehensive vision of Canada's forest resources, the new Department of Forestry should be renamed the federal Department of Forests (Forests Canada).

RECOMMENDATION NO. 4 — The Committee recommends that the Government of Canada empower the new Department of Forestry with a mandate that is fully consistent with the importance of Canada's forests to the country, and with a mandate that is fully compatible with the mission to establish the concept of sustainable forestry development in Canada. Such a mandate should include:

- (i) Consolidation of major federal activities relating to forest land management, forestry and forest industries within the responsibility and authority of Forestry Canada;
- (ii) Provision of the financial and human resources necessary to fulfill that responsibility.

RECOMMENDATION NO. 5 — The Committee recommends that, consistent with land-use goals and objectives of the Department of National Defence, all forest management responsibilities on its lands be delegated to the new Department of Forestry.

RECOMMENDATION NO. 6 — The Committee recommends that the new Department of Forestry be assigned responsibility for operational advisory services to native people for forestry management on all forested lands which fall directly or indirectly within the administration of the Department of Indian Affairs and Northern Development; such services would include strategic planning for integrated management and multiple use, silviculture, professional training and funding assistance, all in close consultation with native leaders.

RECOMMENDATION NO. 7 — The Committee recommends that, with respect to the federal Environmental Assessment Review Process (EARP) related to forest resources or to industrial forestry development, the new Department of Forestry be assigned statutory responsibilities for developing policies and procedures to ensure consistent application of the concept of sustainable forestry development in EARP hearings and decisions, including the formal appearance of Forestry Canada scientific personnel as expert witnesses where appropriate in such hearings.

RECOMMENDATION NO. 8 — The Committee recommends that the Canadian Wildlife Service be transferred from Environment Canada to Forestry Canada, and that it be restored fully as a comprehensive management and research agency with broad application to all Canadian wildlife, both game and non-game species, working in co-operation with provincial government agencies wherever possible in a context of integrated forest management.

RECOMMENDATION NO. 9 — The Committee recommends that the operations of the Canadian Parks Service be transferred from Environment Canada and placed within the new Department of Forestry, to provide optimum scope for the practice of integrated management of federal forest-based resources, in pursuit of the national mission for sustainable forestry development.

RECOMMENDATION NO. 10 — The Committee recommends that the new Department of Forestry be provided directly with facilities and capabilities for mapping, geographic information systems and all other such database and inventory technology pertaining to forests, and that such a forests data applications unit be linked directly to the Canadian Centre for Remote Sensing in the Department of Energy, Mines and Resources.

RECOMMENDATION NO. 11 — The Committee recommends that the Forest Products Directorate be transferred from the Department of Industry, Science and Technology to the new Department of Forestry, including lead responsibilities for consultation with the forest industry.

RECOMMENDATION NO. 12 — The Committee recommends that the scope of responsibilities for the Department of Forestry be expanded to include international forestry considerations such as competitiveness, technology and environmental regulations, through assignment of its own forestry attachés at key strategic locations throughout the world, and through intensified

participation in international forest trade efforts with the Department of External Affairs and International Trade, including direct support to forestry projects of the Canadian International Development Agency (CIDA) and of the International Development Research Centre (IDRC).

RECOMMENDATION NO. 13 — The Committee recommends that in all less specific federal government activities related to forest resources (such as taxation policies, pesticide regulations, regional development programs and public forums on the environment) consultative relationships with Forestry Canada should be formally mandated through Memoranda of Understanding and inter-departmental committees.

RECOMMENDATION NO. 14 — The Committee recommends that research and development in forestry science and technology must be significantly expanded as a key element of Forestry Canada's mandate, and that increased resources be committed to support the research priority, bearing the following principles in mind:

- (i) That all forest-related research now being performed by various federal agencies should be consolidated under Forestry Canada direction;
- (ii) That Forestry Canada take a leadership role in co-ordinating forest research among the various public and private agencies now conducting such research in Canada;
- (iii) That Forestry Canada direct its own research projects to long-term studies which bear national implications and are unlikely to be performed by others, such as growth and yield modelling and analysis;
- (iv) That Forestry Canada budgets be increased to provide stable support for forest research at universities, in matching collaboration from the provinces and/or from industry, in a similar way to the McIntire-Stennis Co-operative Forestry Research Program in the U.S.A.;
- (v) That innovative new research directions be initiated with respect to such issues as the environmental impacts of forestry operations and such specific controversial areas as ecosystem analysis, biological diversity and clear-cutting practices.
- (vi) That wildlife be an integral component of forest research, and that wildlife research centres be established at key regional locations in Canada.

RECOMMENDATION NO. 15 — The Committee recommends that both *the Department of Forestry Act (Bill C-29)* and *the Forestry Act* be comprehensively amended to establish the new Department of Forestry as the pre-eminent federal authority with respect to the management of Canada's forest resources and the practice of forestry; and to provide appropriate legislative powers sufficient to permit the new Department to fulfill its mission towards sustainable forestry development.

RECOMMENDATION NO. 16 — The Committee recommends that, to fully support the mandate of the Department of Forestry in its mission to achieve sustainable forestry development in Canada, the federal government allocate the necessary human and financial resources, including but not limited to the following:

- (i) Budget provisions for Forestry Canada to establish an operational forest management capability;
- (ii) Budget provisions to enhance forest management on Indian lands;
- (iii) Budget provisions to establish at least two regional wildlife management research centres east and west in Canada;
- (iv) Budget provisions to participate fully in funding the development of a co-ordinated national forest database and inventory system over the coming five-year period;
- (v) Major funding increases to bring scientific forestry research in Canada to comparable GERD levels with other forest nations;
- (vi) Transfer of FRDAs funding directly to Forestry Canada's base budget, with major increases to match mutually agreed upon schedules for implementing sustainable forestry development with the provinces.

RECOMMENDATION NO. 17 — The Committee recommends that, in addition to the transfer of FRDA funding to the base budget of the new Department of Forestry, the entire concept of Forest Resource Development Agreements be comprehensively reviewed and amended, in legislation where appropriate, to achieve the following objectives:

- (i) Structures of Agreements to be for long-term periods, subject to revolving review and renewal at regular intervals, on an "evergreen" basis;

- (ii) Policy principles and criteria for funding to be established directly with the provinces by Forestry Canada, and always to be consistent with the national strategy towards sustainable forestry development;
- (iii) Effective means to be provided for third-party inclusion in some agreements; such as universities for research, woodlot owners for private forest management, professional forestry associations and other non-governmental organizations for development of codes, standards and public education programs.

RECOMMENDATION NO. 18 — The Committee recommends that the new federal Department of Forestry take the lead, in co-operation with the provinces and through the Canadian Council of Forest Ministers (CCFM), to design and implement a nation-wide program of public consultation about Canada's forests on a province-by-province basis as a means of developing a national vision for sustainable forestry development, including but not limited to the following considerations:

- (i) That each province and territory be encouraged and assisted in developing separate vision statements about its own forests;
- (ii) That the CCFM be organized and resourced as the forum for building consensus from provincial and territorial vision plans towards a national forests strategy;
- (iii) That Forestry Canada prioritize its resources and programs in the support of such a national strategy, including federal-provincial cost-sharing, science and technology, forest inventory data, public education and awareness, and management planning for federal forest lands.
- (iv) That terms and conditions for federal-provincial co-operation in the long-term strategy towards sustainable development be formally specified and confirmed in a working document, *The Canada Forests Accord*.

RECOMMENDATION NO. 19 — The Committee recommends that, as an immediate high priority, the new Department of Forestry lead the development of a co-ordinated national forest database and inventory system, to be applicable to all forest resources, in a manner that will consolidate the best of existing provincial systems into a comprehensive national model on which future forests data technology improvements can be built.

RECOMMENDATION NO. 20 — The Committee recommends that Forestry Canada, in co-operation with the Canadian Federation of Professional Foresters' Associations, assist and facilitate the development and enforcement of national standards for professional forestry practice.

RECOMMENDATION NO. 21 — The Committee recommends that Forestry Canada, in co-operation with Canada's professional and technical forestry training institutions, encourage and help to support a high standard of multi-disciplinary education and training for a full complement of human resources to meet the needs of the forest sector in pursuit of sustainable forestry development over the years ahead.

RECOMMENDATION NO. 22 — The Committee recommends that, in collaboration with the provinces and all other stakeholders in Canada's forests, the new Department of Forestry conduct substantial annual programs of public communication designed to make Canadians at all age levels more factually and consistently aware of the broad range of issues pertaining to forests and forestry in Canada.

RECOMMENDATION NO. 23 — The Committee recommends that the new Department of Forestry immediately undertake a national research project to determine the comparative and relative values of forest lands and the market pricing of their timber harvests, with a view to identifying anomalies between Crown lands, large industrial freehold forests and private woodlots on a regional profile across the country, all as a basis for reviewing public economic policy with respect to forest lands.

RECOMMENDATION NO. 24 — The Committee recommends that Forestry Canada, in partnership with the provinces and the Canadian Federation of Woodlot Owners, establish and maintain a comprehensive, long-term program for woodlot management in Canada, including but not limited to the following considerations:

- (i) That special long-term provisions be designed in federal-provincial FRDAs for direct application to woodlot development and management on a rational co-operative basis;

- (ii) That continuing consultation be conducted with the federal Departments of Finance and Agriculture, and with the appropriate regional development agencies to design and implement effective tax reform measures to encourage woodlot management;
- (iii) That assistance and encouragement be provided to foster the development of woodlot owner organizations across Canada, with a view to using them as effective vehicles for delivery of woodlot management initiatives.

It can be truly said that Canada is a forest nation!

To an extent not always well appreciated by Canadians, the forests of Canada are both the pillars of our prosperity and the essence of our environment. No other of our natural resources combine in such measure both the credits and the conflicts of *environmental and economic values*, as are to be found in our forests.

Therefore, the federal role in the future of Canada's forests must surely begin with a commitment to help ensure that environmental and economic values *persist in balance*, indefinitely into the long-term future.

That is what the concept of *sustainable development* is all about: the resolution and reconciliation of our frequently differing economic and environmental values. That is why it has become the theme for mankind's very search for a better environment on earth. If this concept of sustainable development is ever going to be put into successful practice in Canada, it *must begin with our forests!*

For those reasons, and because the new *Department of Forestry Act* (S.C. 1989, c. 27) is the first legislation in Canada ever to contain the words "sustainable development" in its terms of reference, our Sub-committee on Forestry has decided to address that principle as the foundation for the future mission of the Department of Forestry (Forestry Canada) as it begins its second life in 1990.

FORESTS OF CANADA: THE FEDERAL ROLE

CHAPTER ONE

THE MISSION: SUSTAINABLE FORESTRY DEVELOPMENT

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1A. CHANGING FOREST VALUES

There now exists a clear uneasiness over the present utilization and management of our forest resources. There has been a rapid change in societal values as it relates to the economy and the environment. This change has seen public views and values move out in front of both the actions of government and the forest industry. — A.L. (Sandy) Peel, Chairman, British Columbia Forest Resources Commission (Correspondence to the Committee, April 12, 1990).

As we consider the role of the new federal Department of Forestry, we should first contemplate the meaning today of Canada's forests to Canadians, in traditional terms to be sure, but more particularly with respect to the increasing and conflicting demands which will be placed on the forests of the future. We must then develop a vision of those forests for *tomorrow*, because most assuredly forest values are changing and they will be far different in the years ahead than they were yesterday, or even than they are *today*.

The economic values of Canada's forests have been enjoyed for centuries, and in the judgement of our Committee will continue to be an essential and growing expectation in any future vision. Today our forests contribute over \$40 billion value of shipments each year to our economy, and directly or indirectly are the source of almost one million jobs.¹ Our forest products industry is the single largest industrial sector in Canada, and accounts for a trade balance surplus of nearly \$20 billion, an amount which *exceeds* the total trade balance of agricultural, fisheries, energy and mining sectors *combined*.² In some 350 communities across Canada, forests are practically the *only source* of economic well-being; in addition, there are many other towns and cities where forestry constitutes a large part of the total industrial mix.

I would simply like to stress in the beginning that industrial forestry is extremely critical to regional economies. I would like to mention as well that for this reason we must never forget the contribution it makes to economies, more especially to rural and depressed areas of this country. We must always bear this in mind when we are dealing with the responsibility of the federal department. — Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:5).

Internationally, Canada is a leading world producer of forestry products, ranking first in newsprint production, second in pulp production, and third in softwood lumber production. This enviable position is reflected in our export sales of these items, which represent about 20% of entire world exports of forest products.

Our forests comprise a total of 453 million hectares, or almost half of our national landscape. More than any other geographic feature, they literally constitute *the face of Canada*, and for a growing number of Canadian citizens our forests represent *the environmental spirit* of our country. Forests contribute in a wide variety of ways to the quality of our lives, and they demand our care in cautious, compatible and committed ways.

Furthermore, since Canada's forests represent 10% of the world's total forested area, our country has a responsibility for forest resources not only to its own citizens, but also to the international community. We must recognize and acknowledge the global interdependence which is imposed upon virtually all nations by such phenomenal hazards as global warming, atmospheric pollution and world deforestation. Our country clearly does have a heavy responsibility for managing the sustainable development of our forests, not just from a domestic perspective, but in the context of our world citizenship.

As a conservationist long interested in protection of forests, I believe the Houston Summit achieved a truly remarkable and historic result. The commitment by the G-7 countries to negotiate a convention on world forestry has been a long standing objective of international conservation groups. The advantages of such a convention for species protection, biological diversity, control of soil erosion and sedimentation, and for climate and rainfall are simply incalculable. — William Reilly, Administrator, U.S. Environmental Protection Agency (EPA), Press Release, July 16, 1990.³

Canadians from all regions and from all walks of life are becoming increasingly aware of the multiple values of our forest resources, and they are also becoming deeply concerned about the need for integrated management of them. This awareness and concern is particularly driven by environmental issues, including the global perspective. It is now abundantly clear that industrial and commercial considerations alone will never again be tolerable as the *sole basis* for our forest management policies. It has become essential that forest managers demonstrate very real commitments to *integrated management* as a means of assuring Canada's citizens that *both the economic and environmental values* of our forests will remain available for future generations.

... the opinions of Canadians respecting the holistic value of our forests and their vulnerability to over-exploitation, misuse, global environmental perils and unwitting debilitation are at unprecedented levels. Rightly or wrongly, many Canadians do not perceive Canada's forests to be well managed on a sustained basis. It is against this backdrop of confirmed importance of our

forests and public misgivings about its management that we have the emergence of a new federal Department of Forestry.
 — Richard C. Goulden, Assistant Deputy Minister, Department of Natural Resources, Manitoba (Issue 20:4).

Our developing perspective on tomorrow's forests, and the extent of dramatic change which has occurred in our sense of values about them, is demonstrated by the following two quotations, each of which occurred in the House of Commons during debates about a new Department of Forestry, but *almost 30 years apart*. In 1960, the Right Honourable John Diefenbaker stated that:

*The proposal to establish a Department of Forestry reflects the realization of the importance of the forest industries and the resource on which they depend for raw materials.*⁴

That Department of Forestry, established in 1960 with unanimous support in the House of Commons, did not survive its first decade, largely because it failed to establish a relevant mandate. There were many reflections of this, including inadequate financial and human resources committed to its budgets, presumably all in some resignation to the reality of provincial jurisdictions and authority for most of Canada's forests.

More recently *in 1989*, during debate of Bill C-29, *an Act to establish the Department of Forestry*, the Honourable Frank Oberle, present Minister of Forestry, outlined a much broader view :

*Those who understand global ecology understand that our planet cannot survive itself, nor can it sustain the life which we enjoy, without our forests being in good health. That is what this Bill before us is all about.*⁵

The debate on Bill C-29 has led to the creation of a federal Department of Forestry for a second time, but with its mandate so far directed only marginally beyond the focus of 1960. While Prime Minister Diefenbaker's remarks depict a department that was preoccupied with the industrial and commercial needs of the resource, Mr. Oberle speaks of the forest as an essential element of the earth's ecosystem, in addition to having important timber, wildlife and recreational values. This re-orientation of forest values is a vital key to understanding tomorrow's strategies for sustainable forestry development. The question to be examined in this Report is whether *even Bill C-29* provides an adequate role for Forestry Canada in these respects.

General Forest Values

As important as forest resources are to the Canadian economy, they are absolutely essential to the cycle of life. From an ecological perspective, forests are vital to carbon-dioxide and nitrogen cycles,⁶ as well as to the production of oxygen, which is essential to the life process. Moreover, it is well known that forests, by their very presence, minimize soil erosion, regulate the flow of water, improve air and water quality, reduce temperature variations and serve as an indispensable habitat for countless species of animals and plants. It is estimated that approximately 20% of the world's freshwater resources have their headwaters in Canada's forested regions alone.⁷ There is no doubt whatsoever that forests represent an enormous pool of genetic variety and variability which is important to the evolution of species and in turn to the welfare and quality of life for mankind. These realities confirm how crucial it is to ensure that our forests are managed and used in ways that do not threaten their ecological integrity.

In Canada, species losses, species extinctions, are not nearly the issue that they are in many other parts of the world, but losses of habitat, reductions in biological diversity and genetic diversity, losses of populations, are very important issues.

When we talk about biological diversity it is important to know that it is not a vague, nebulous idea. It is something very concrete which we can define in a variety of ways, with particular meanings. When I talk about it today I would like you to think about it in almost a hierarchy of levels; first, genetic variation within a species among different individuals; then, species diversity, the variation in number of individuals in different communities, and then if you go to the bottom, ecosystem level diversity in different places on the landscape tend to develop different characteristic communities which identify them as being a particular kind of place. — Ken Lertzman, Associate Professor, Natural Resources Management Program, Simon Fraser University. (Environment Issue 33:51).

Forests have always been basic to such activities as fishing, hunting and trapping. Even though relatively few Canadians carry out these activities today for subsistence purposes, with the exception of some native peoples, they nevertheless remain extremely popular recreational pursuits enjoyed by important segments of the population. Similarly, the public's passion for outdoor activities has grown over the past twenty years, a situation that has resulted in an even more diverse utilization of forests across Canada. Activities include wildlife and nature observation, hiking, cross-country skiing and canoe-camping, to name

but a few. Finally, it should be noted that the growing popularity of outdoor vacationing has begun to restrict the industrial use of some areas of productive forest land. Obviously then, forests satisfy many needs, be they ecological, economic, scientific, spiritual or recreational.

The changing perceptions of and attitudes toward Canadian forests were very clearly illustrated by a 1989 Environics survey, which found that only 12% of Canadians polled believe forests should be used primarily for logging, whereas 23% of those surveyed would like forests to serve more than one purpose. Overall, 25% of the respondents felt that wilderness preservation should be the most important use for our forests, while 27% said that it should be for wildlife protection.⁸ Although some see these perceptions and attitudes as reflecting the public's dissatisfaction with the management and use of Canada's forests for timber, the fact remains that they also reflect a growing appreciation of the broader values of forest resources by average citizens, and a desire to expand the varied use and enjoyment of this national treasure. Fulfilling such broader demands for multiple-use of the forests will, by definition, require application of concepts of *integrated forest management*. It will also require human skills and knowledge that go far beyond just timber values. As the Environics poll said in 1989, "75% of Canadians see the forest as a national treasure, to be held in trust for future generations!"⁹

Opinions have been polarized about the use of forests primarily for commercial purposes. On the one hand, there is the public's growing concern about the quality of the environment, and the marked interest shown by many environmental groups in issues relating to forest management and use; on the other hand, there is frustration about the relatively private nature of the activities and decisions of the large forestry companies. The recent controversies regarding forests in B.C.'s Carmanah Valley and in Temagami, Ontario, are vivid examples of the inherent difficulty of reconciling divergent interests and perceptions concerning public natural resources.

Moreover, the importance of forests from an environmental, recreational and tourism perspective can also be seen in the different networks of national and provincial parks and, to a lesser degree, in other kinds of protected wilderness areas. The Canadian Parks system, for example, currently comprises 34 land-based parks located in all of the provinces and territories, and one national marine park. In addition, similar networks of provincial parks and reserved areas can be found right across the country. It is estimated that 6.3% of the land in Canada is more or less strictly preserved in these different areas. However, if we exclude areas in which hunting, forestry and mining operations are allowed, this figure plummets to 2.6%.¹⁰

A majority of people support and defend these general forest values, which are not all consumptive and economic in the normal sense of the word, although in many instances such as tourism and recreation, even though non-consumptive, they have their own

economic connotations. Government, industry and environmental experts are no longer the only ones interested in the forests. One need only think, for example, of all the outdoor clubs and nature societies that have proliferated in recent decades. Many ordinary people are trying to convey their vision of, and their aspirations for, Canada's greatest natural resource. Unquestionably, one of the biggest challenges facing the forest sector in the 1990's will be to find ways of marrying these differing concerns and aspirations.

Even more significant is the widely held professional judgement that the economic contribution from our forests must continue to grow and be developed to meet the aspirations and needs of Canadian society into the long-term future. This premise is one of the more daunting challenges of sustainable forestry development — recognizing that the concept of sustainability may be complex and multi-faceted, while at the same time recognizing the need for economic development of the resource. In fact, we tend to agree with those who argue that our future targets for timber harvest could be double our present levels by the year 2050 and that the future view for our forests should have such growth goals established for strategic

harvest in time, and be distributed in all regions across Canada. At the same time, however, there should be parallel quantified goals by 2050 for the use and enjoyment of the forests for recreation and other non-timber values. There must also be set at equal or greater magnitudes to meet the growing demands described earlier with obvious regard for variable circumstances in each region. The Committee believes that the economic contribution can be reconciled with the right balance and function for the forested landscape and the environment. Further, it must be done in such a way that each region of the nation will share fully in the benefits of the forest, and doing without sacrifice of either economic or environmental values. Such is the promise of sustainable forestry development, and such also is the immense challenge of attaining it in our forested landscape. The Committee believes that the economic contribution from our forests must continue to grow and be developed to meet the aspirations and needs of Canadian society into the long-term future. This premise is one of the more daunting challenges of sustainable forestry development — recognizing that the concept of sustainability may be complex and multi-faceted, while at the same time recognizing the need for economic development of the resource. In fact, we tend to agree with those who argue that our future targets for timber harvest could be double our present levels by the year 2050 and that the future view for our forests should have such growth goals established for strategic harvest in time, and be distributed in all regions across Canada. At the same time, however, there should be parallel quantified goals by 2050 for the use and enjoyment of the forests for recreation and other non-timber values. There must also be set at equal or greater magnitudes to meet the growing demands described earlier with obvious regard for variable circumstances in each region. The Committee believes that the economic contribution can be reconciled with the right balance and function for the forested landscape and the environment. Further, it must be done in such a way that each region of the nation will share fully in the benefits of the forest, and doing without sacrifice of either economic or environmental values. Such is the promise of sustainable forestry development, and such also is the immense challenge of attaining it in our forested landscape. The Committee believes that the economic contribution from our forests must continue to grow and be developed to meet the aspirations and needs of Canadian society into the long-term future. This premise is one of the more daunting challenges of sustainable forestry development — recognizing that the concept of sustainability may be complex and multi-faceted, while at the same time recognizing the need for economic development of the resource. In fact, we tend to agree with those who argue that our future targets for timber harvest could be double our present levels by the year 2050 and that the future view for our forests should have such growth goals established for strategic

Timber Values

Notwithstanding the emerging environmental values being placed upon Canada's forests, there can be no doubt about the profound economic values of the timber and wood fibre to be found and harvested in them. Yet, industrial managers in Canada fear that these more tangible benefits are frequently overlooked and taken for granted.

Finally, there are about 300 cities and towns across this land that depend on forest products operations as a principal focus. Without that export capability of which I have spoken, and without a sound forest base to back it up, the impact on those communities would be immense. In fact, it would be horrendous. — Howard Hart, President, Canadian Pulp and Paper Association (Issue 3:7).

Even more significant is the widely held professional judgement that the economic contribution from our forests *must continue to grow and be developed* to meet the aspirations and needs of Canadian society into the long-term future. This premise is one of the more daunting challenges of sustainable forestry development — *recognizing that the concept of sustainability must be established and realized, while at the same time increasing the scale of economic development of the resource.* In fact, we tend to agree with those who argue that our future targets for timber harvest could be double our present levels by the year 2050, and that *the future vision for our forests should have such growth goals established for strategic intervals in time*, and be distributed in all regions across Canada.

At the same time, obviously, there should be parallel quantified goals by 2050 for the use and enjoyment of the forests for recreation and other non-timber values. These must also be set at equal or greater magnitudes to meet the growing demands described earlier, with obvious regard for variable circumstances in each region. The Committee believes that these seemingly conflicting goals can be achieved *with the right process and structure for advanced planning towards sustainable forestry development.* Further, it must be done in such a way that each region of the nation will share fully in the bounty of the forests, and do so without sacrifice of either economic or environmental values. Such is the promise of sustainable forestry development, and such also is the immense challenge of attaining it in our forests.

Ownership of Canada's forests is primarily vested in provincial governments, but there are significant portions held privately by industry companies and by a large number of individual wood lot owners. Many people feel that *tenure* is a key factor in the practice of good forest management.

I guess then you could look at the fact that really the best forests, the forests that everybody advertises in the world, are privately owned. There are very rarely any publicly owned forests that are regarded as being up to the standards of silviculture of privately owned forests, and I think that the evidence therefore is that private sector behaviour, when there is a clear set of rules, is constructive and exemplary. You can look from the southern United States to the north end of Finland and out to the west coast of the United States, down to Chile and even New Zealand, and it is really all much the same thing. That is not a knock on anybody, but I think that is again enlightened self-interest. If you have the land and you know you have it permanently, you are going to develop these forests to the best possible extent. — Adam Zimmerman, Chairman and Chief Executive Officer, Noranda Forests Inc. (Issue 24:5).

The value of standing timber in Canada's forests varies with the composition of the forests from one region to another, and the quality of the raw materials to be harvested varies as well. According to the 1986 forest inventory,¹¹ Canada possesses approximately 24 billion cubic metres of standing timber, most of which can be found in British Columbia (38%), Quebec (18%) and Ontario (15%). Of the total wood volume in the inventory, softwoods account for 76% and hardwoods for 24%. The principal softwoods are spruce, pine and fir, while poplar is the dominant hardwood.

There are three distinct industrial sectors, or segments, in Canada's total forest industry: (i) the timber or logging sector, (ii) the wood products sector, and (iii) the pulp and paper industry. Total direct employment is 349,000 according to the 1989 labour force survey of the forest industry by Statistics Canada.¹²

The logging sector of the industry involves mainly companies which harvest timber in the forest, and ship raw materials to mills in the form of logs, pulpwood or chips. This segment of the industry is represented by more than 3,500 companies, employs 69,000 people and pays more than \$1 billion in wages and salaries.

The main business of our wood products sector is lumber production, most of which is exported. In fact, Canada is the world's largest exporter of lumber, and lumber is one of our major forest products, representing more than 20% of total sales in the forestry sector. The wood industries include the manufacture of shingles and shakes, veneer and plywood, particle board and wafer board. These wood manufacturers employed 135,000 people during 1989 in about 1,500 firms and mills.

The pulp and paper sector is the most important one in the forest industry, and is also one of the leading contributors to the Canadian economy. It is estimated that total pulp and paper employment is 145,000, located in close to 700 mills across the country, and having an annual payroll of \$4 billion. The total sales of the pulp and paper sector represent more than half of all sales in the Canadian forest industry.

Newsprint is the most important forest commodity produced for export in Canada. Our sales constitute roughly 60% of the world market, with the United States being our principal customer. This segment of the industry is now facing major challenges posed by new recycling laws in the United States and in Canada, where many buyers are insisting on specific proportions of recycled fibre to help meet environmental demands for reduced pressure on municipal land-fills, which will also reduce harvesting pressure on the forests. As a result, many pulp and paper companies are already converting portions of their mills for recycling, and are building de-inking plants. This trend towards recycling could possibly result in some significant reduction of demand for raw fibre, although such impacts are not yet clear, and consequently there may be implications on employment, both in the mills and in the forests.

Let me give you three figures that might convince you that we are not starting from zero in this area. Of 143 paper and paperboard mills in Canada, 40 of them depend in part or fully on recycled fibre for their raw material. About one-third of the fibre used in pulp and paper production in Canada is already recycled fibre. To get that one-third we have to import a third of that one-third from the United States.

Consumption of recycled fibre in Canada last year was 1.8 million tonnes, of which we have to import 600,000 tonnes from the States. That is a rough, big answer to a very complex question, because you do not make this kind of recycled paper out of old newspapers. — Howard Hart, President, Canadian Pulp and Paper Association (Issue 3:17-18).

Despite recycling, the overall increase in the production of wood products in Canada has led to a corresponding increase in the demand for raw material. Ever since the early 1960's, some forest sector analysts have been predicting *wood shortages*. At the Montebello Forest Congress in 1966, it was predicted that shortages would be experienced by 1985, and those forecasts have been fulfilled to some extent in every region, unfortunately. This was also the view of the Canadian Pulp and Paper Association in its submission to the Royal Commission on Economic Union and Development Prospects for Canada in 1984. Even at that time, the association was identifying shortages in softwood for Nova Scotia, New Brunswick and British Columbia.¹³ In some cases, the shortages are not of *wood volume*, but more particularly of wood in the desired *size and quality*.

The prospect of shortage is particularly intense in New Brunswick, where the province has literally frozen softwood harvests at current levels over the next growth cycle of 40 years.

In New Brunswick we actually are a net importer of wood. We do not have to talk about 10 or 15 or 20 years in the future being short of wood, we are short of wood today. That is why we are managing more intensely than any other province in Canada.

We are short roughly 300,000 cords of wood a year. This is about half of a pulp mill's production for a year. In fact, it is the full production from crown land for the Canadian Pacific mill in Dalhousie. The rest they get from Quebec and from their own sources. So it is important that we not only manage what we have, but that we also protect what we have.

— Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:25).

There are many factors which contribute to wood shortages, but a high rate of both managed and unmanaged harvesting has been the major cause, by man but even more by fire, insect and disease. The best example of wild harvest is probably the spruce budworm epidemic that affected all of Eastern Canada during the late 1970's, the latest of a long history of such attacks. For the period between 1984 and 1986, Forestry Canada estimates that 16.5 million hectares were devastated on average each year by the spruce budworm throughout Canada. Major losses by fire occur every year, with 1989 being the worst example ever in Manitoba, where more than 3.4 million hectares were destroyed in 1,143 separate fires, representing 9% of the total productive forest of that province.

A review of timber statistics over past years has revealed a rather startling truth of which many Canadians may be unaware : *On average, the volume of wild harvest of our forests each year by fire, insect and disease equals or exceeds the annual commercial cut in Canada!*¹⁴

Thus, as we calculate the values of our inventory of standing timber, we must always bear in mind that *the forest is harvested by nature as well as by man*, and in mammoth clear-cuts at that. Management efforts to preserve the forests must include intensive protection efforts against nature's disastrous harvests.

While many observers feel that the Canadian forest is in a state of alarming transition which will lead to serious wood shortages, others remain guardedly optimistic about the state of our country's forests, despite some constraints in the supply of wood fibre which are evident for the next few years. These analysts point out that Sweden was also expecting wood shortages back in the 1960's, but with an accelerated response in research and

development together with new technologies and management techniques, that nation succeeded in producing more pulp and paper through diversification and rationalization of the uses of wood fibre.¹⁵ In similar manner, some forestry experts in Canada predict that we can also avoid serious wood shortages in the future through the adoption of improved technologies, more intensive silvicultural efforts and a substantial increase in the utilization of hardwood species.

Right now we can harvest only 10 million cubic metres, which comes out to about 1.3 cubic metres for every hectare every year. The Swedes now harvest 8 cubic metres for every hectare every year. There is no reason why New Brunswick could not have 3, 4, or 5, if we had a forest on it that was as well structured as theirs is after 60 years of working at it. They went through the transition we are looking at now in the late 1800's, early 1900's.

We have a considerable range of development available to us in this country, simply by virtue of getting a proper forest on the ground. We are limited now by the structure of the forest and the way we have carried it, not by the productivity of the land or of the species, if we had a decent forest on it.

— Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 1:62).

It is clear that the coming years will be a period of dramatic challenge as we seek to achieve integrated management in the context of sustainable forestry development. Not only will new and improved technologies be required, but innovative approaches and practices must also be found. The new federal Department of Forestry should have a central role in that drama with so many competing players and so many conflicting views.

In particular the federal agency ought to seek out opportunities to complement provincial efforts, and thereby provide leading-edge direction in ensuring our forests are managed to meet the ever changing demands of society. As well, Forestry Canada has a role in ensuring that the provinces manage forests in a sustainable way and in doing so, meet the needs of the global community in protecting biodiversity and the integrity of ecosystems.

— Liz Osborn, Outdoor Recreation Council of British Columbia (Brief to the Committee, April 12, 1990, p. 1-2).

That raises an interesting question. Is it really possible to manage a designated land base over the long-term if society's demands on that land base are *ever changing*? Therein lies the challenge with which Canada's forests sector must come to grips: to set the course for sustainable forestry development, and to do so by establishing firm objectives for the forests *from the start*. To help initiate and direct that course, *is the mission for Forestry Canada*.

1B. MAJOR PLAYERS, MANY VIEWS

There are several distinct groups of stakeholders in the struggle to influence management policies and priorities for the future of Canada's forests. Not all share the same stake from an *investment perspective*, but each one of them is dedicated to specific interests and strongly held visions for the future of these resources. In most cases, such interests and visions are complementary and there is common ground, but in many cases there seems to be irreconcilable conflict.

In terms of substantive recommendations about shaping the future of forestry in Canada, and for the role of the new federal Department of Forestry, the Committee has heard many voices, sometimes sounding as a chorus of shared concern, but more frequently like a clamour of conflicting claims. Divergent opinions were expressed not only by different interest groups, but occasionally even by members of the same interest group. Some differences are only degrees of emphasis, rather than direction, but others originate from more deeply rooted conflicts about systems of value and methods of analysis. There are, for example, deep divisions between those who value the forests for environmental purposes and those who view them as a source of renewable commercial harvests to meet economic goals.

Canada's naturalists are clearly concerned about the status of forest management in this country. There is a strong perception that forests are managed for timber and, to a lesser extent, game species. If we are to achieve sustainable development of our forests, forest management must be approached in an ecosystem context, with timber only one of the many values to be sustained.

The Canadian Nature Federation views forests as complex ecosystems, composed of many species of trees, shrubs and herbaceous plants, providing habitats for birds, mammals and a wide variety of other less visible forms of life. — Paul Griss, Executive Director, Canadian Nature Federation (Issue 19:10).

I think we should really disabuse anybody of any suggestion that you can withdraw land from the working forest land base without cost. Some figures we have developed at the council would indicate that for every 1% reduction in that working forest land base we referred to, you would look at something in the order of 2,400 jobs that would be lost; wages and profits per year of some \$80 million, government revenues of some \$15 million plus. It is not at all clear that you could completely replace that loss by intensive forest management, but if you could the cost would be something in excess of \$650

million. Per year. So it is a bit much to blithely indicate that you can remove land from the working forest base without its having a very substantial impact on people's lives and the revenues of governments, not to say anything of companies. — Allan Sinclair, Vice-President, Government and Public Affairs, Council of Forest Industries of British Columbia (Issue 15:20).

Obviously, not all such views can be easily reconciled, but having heard from groups representing almost all of the major players, the Committee is convinced that a process of communication and consultation must be found towards a common vision for forests and forestry in Canada. A new tone must be developed in the debate, so that such angry terms as *industrial rape* or *environmental terrorism* are set aside in favour of a more constructive search for consensus. The new debate must be based on a common bank of knowledge and understanding about our forests, and it must be motivated by a common desire to reconcile conflicts in pursuit of truly sustainable forestry development. In helping to structure and nurture that debate, the Committee believes Forestry Canada can be a leader. In that context, the broad spectrum of view-points is worthy of note:

Environmental groups such as Forests for Tomorrow, the Sierra Club, the Canadian Nature Federation and the Canadian Wildlife Federation, to name only some, shared their concerns with us about such subjects as the importance of the forest ecosystem and the value of old-growth forests. We were assured that these groups are not opposed to development of the forest, but rather are deeply committed to ensuring that development is sustainable in the context of *the whole forest*.

Issues of particular concern to Forests for Tomorrow include: the environmental effects of various elements of timber management, logging regeneration, herbicide and insecticide use, road building, sustainability of the industry, wildlife and fisheries protection, timber management planning, monitoring of the effects of logging, alternatives to the methods now used, economics of the industry and silvicultural efforts, integration of non-timber values, alternatives to pesticide use, land-use planning, mitigation of negative environmental effects, public participation in forestry planning, the future of the environmental assessment process, and the status of baseline ecological information. — Don Huff, Chairman, Forests for Tomorrow (Issue 10:5-6).

Large forestry companies such as Canadian Pacific, Domtar, MacMillan Bloedel and Noranda made presentations to us, as did also such *representative industry organizations* as the Canadian Pulp and Paper Association, L'Association des industries forestières du Québec, the Canadian Forestry Association, the Ontario Forestry Association and the

Council of Forest Industries of British Columbia. The industry focus was generally concentrated on the importance and the value of *the working forest*, and about the major strides and advances which have been made in silviculture, reforestation and other intensive management disciplines. Canada's forest industry voices a clear commitment to the concept of sustainable forestry development, and significant investments have been made in pursuit of that concept. In some cases, however, industry vision seems to remain limited to the interpretation of *sustained yield*. There is great frustration among industry leaders who feel that the economic contribution of our forests is not adequately appreciated, and there are fears that environmental priorities will prevail in unrealistic, impractical and unsustainable ways.

Again, by way of background, the forest industry in Ontario provides 76,000 people with employment, and those people earn about \$2.2 billion a year. In a good year our industry pays over \$250 million in corporate income tax, and also in a good year like 1988 it invests about \$1.5 billion in new plant and equipment modernization and pollution abatement measures. The annual value of production is about \$10 billion of which about \$3.7 billion is exported, mainly to the U.S.

This raw material comes from a growing stock of 3.5 billion cubic metres, and our current annual harvest level of 30 million cubic metres is slightly under 1% of the growing stock. That comes from a land base of 81 million hectares, 85% publicly owned, and about half of that is productive forest.

— I.D. Bird, President, Ontario Forest Industries Association
(Issue 23:6).

A further comment from this witness conveys the frustration which the forest industry feels in Canada, with the exception of the Atlantic Provinces, about arrangements that were made to settle the softwood lumber dispute with the United States three years ago. A Memorandum of Understanding (MOU) provided for a 15% export charge on certain softwood lumber products exported to the United States. The British Columbia government fully replaced the export charge in 1988 as a result of increased stumpage charges and additional forest management obligations. As well, Québec has partially replaced the charge, reducing the rate from 15% to 8% in April, 1988. The Atlantic Region was exempted from the conditions of the MOU in December, 1987.

This export charge has had seriously adverse effects on profitability of the sawmilling industry in many parts of Canada, particularly in areas like Northern Ontario where lumber production is heavily based on export markets in the U.S.A. The industry along with both federal and provincial governments are continuing to consider courses of action concerning the future of the MOU. Atlantic producers are very concerned that such actions to change

the MOU could destroy the exempt status which has been applicable to them. Lumber producers throughout Canada are looking to the federal government for leadership in dealing with this sensitive and complicated issue.

In the matter of federal–industry relationships, I must refer to the 1987 Memorandum of Understanding with the U.S. on the softwood lumber issue and the devastating impact it has had on the sawmilling sector, particularly in northern Ontario. The immediate result of imposition of that 15% tax was closure of four sawmills in northern Ontario. Those that still survive are undergoing severe financial difficulties by virtue of the 15% tax, compounded in the interim by the escalating value of the Canadian dollar and by declining lumber prices, particularly in North America. In retrospect, we in the forest industry believe that this bad deal for Canada resulted from a lack of understanding at the federal level of some of the facts surrounding the issues. — I.D. Bird, President, Ontario Forest Industries Association (Issue 23:7–8).

Professional foresters, including the Canadian Institute of Forestry, discussed the very subject of professionalism in the forests sector, and the need to assure the general public of the proficiency, competency and integrity of those who are in the first ranks of forests managers. In fact, at least partially motivated by such discussions before our Committee, the Canadian Federation of Professional Foresters Associations decided, at its national meeting on August 21, 1990, to develop a national standards code for professional management of the forest resources of Canada, and is now proceeding to develop this code as quickly as possible. It has simultaneously called for new programs of public education and awareness to increase the general knowledge and appreciation of Canadians for their forests, and to help establish the credibility of forestry professionals as the custodians of those resources. Falling forestry enrollment at universities is also of serious concern to these professionals.

That is our first concern: regeneration and perpetuation of the forest on into the future. Our second concern is people, trained professional and technical people. At a time when the overall enrollment of our colleges and universities is very high, the number of people registered in forestry is diminishing. — John Fingland, President, Canadian Federation of Professional Foresters Associations (Issue 4:7).

Union organizations, such as the Canadian Paperworkers Union and the International Woodworkers of America (Canada), impressed the Committee with their positive and forward-looking approach. While their members are obviously very concerned about jobs

and industrial stability, they are also very perceptive about long-term consequences, and they favour the need for balance and change in order to implement and achieve sustainability in forest development.

We hear a lot these days about sustainability. In fact, paragraph 6. (d) of the bill establishing the new forestry ministry makes explicit reference to the sustainable development of Canada's forest resources. As trade unionists, we are committed to sustaining the jobs of our members and the communities in which they live, and we are committed to this in the long term. — Keith Newman, Research Director, Canadian Paperworkers' Union (Issue 18:22).

The Committee heard from almost all of the *woodlot owners associations* in Canada, and has been well briefed on the particular needs of the smaller private sector. The productivity of family woodlots is a critical part of the forestry equation in many local situations, and forest management of these properties is deserving of both provincial and federal government attention and support. Because crown forests have long been used to create jobs, it seems well demonstrated that ownership and management investment in private woodlots is frequently not feasible in economic terms given the relative stumpage values on crown lands. There is a clear need for considerable innovation and research to help create viability for sustainable woodlot development, and while these woodlots are private resources, nevertheless they represent a strong case for public assistance.

The development of private woodlots is vital to the long-term sustainability of rural Saskatchewan. The Woodlot Extension Program is the clearest, most efficient way of supporting this sector. Every dollar spent to subsidize tree planting, access, construction, and stand improvement work leads to healthy, useful work for woodlot owners and their employees, who are often family members. While the subsidies do not allow for high wages, they offset costs related to the work and incidentally end up in increased business for local chainsaw dealers, farm equipment dealers, hardware merchants, etc. — Hector Shiell, President, Farm Woodlot Association of Saskatchewan (Issue 9:21).

Some witnesses talked to us about *community forest boards* and other such concepts for local public consultation in forest management decision-making, especially among those living in rural areas whose lives are most directly affected by forestry decisions. A number of such groups have been organized in British Columbia to defend their communities' interests in the forests against those who are perceived to be insensitive to the local impact of more broadly based economic or environmental policies. There is a widely held feeling *in rural areas* that too much influence is exerted on forest policies by those who live *in cities*,

where theoretical concepts are not validated by practical experience. Many community organizations support ideas such as *designated forest-use zones* or *sequential multiple-use*, where the planning process for forest utilization is commenced at the local level, almost like municipal systems for zoning or provincial regulations for land-use planning.

We do not have all the answers, but we certainly feel that without that land-use strategy—as described briefly here, the strategy is based on a zoning system — it is hard to manage multiple resources if you do not know what resources there are, their relative importance, and how they can interact. The more you involve the local people in the decision process, the better off you are. You get a better plan, and you get a plan that is accepted and implemented. The further away from the ground — from the local area — the decision is made, and the less control the local people have over at least good input and recognition of concerns, the less likely the plan is to pass or succeed. So the answer to your question, as a rural citizen, is that I would like to see more involvement. — Kelly McCloskey, Vice-President, Association of British Columbia Professional Foresters (Issue 21:37 and 40).

The forests hold profound traditional values for Canada's *Indian bands*, and yet the potential for managed development of their reserve forests has largely gone unrecognized. Many opportunities for native participation in forestry as a way of life have been missed as a result of no consultation and poor planning of both reserve lands and crown forests contiguous to them. Prospective careers for Indians in the forestry sector have been diminished by inadequate access and motivation for education and training at forestry schools. These are all circumstances which can be improved upon and corrected, and so they should, because no element in Canadian society is more deserving of a place in our forests than are native peoples. A start has been made by Indian leaders in recent years.

The National Aboriginal Forestry Association is a volunteer association whose membership is open to all aboriginal peoples, groups and organizations across Canada. The association's mission statement is:

Protection, preservation, enhancement and sustained growth of the forest resource as a primary ongoing goal and responsibility;

Promotion, encouragement and implementation of First Nations' traditional land and forest ethics in the management and use of forest resources;

To seek common areas of agreement in co-operation with all other interests in the forest resources. — Willie Wilson, Chairman Indian Forestry Development Program (Issue 17:28).

Many *individual citizens* wrote to the Committee expressing their own particular concerns and suggestions, either as a result of personal experiences from forestry-related employment, or because of their environmental consciousness. These letters convey a combined sense of care and concern about the future of Canada's forests which warrant serious consideration, and which emphasize the continuing need for public communication and awareness programs about our forest resources.

The Committee has been favoured with significant testimony and other advisory assistance from several deans and professors from Canadian *university forestry faculties*. The contribution of these faculties to the practice of forestry is invaluable, not only for training and education, but also for the creative research and consultation which they provide to governments, industry and other players in the forestry sector. In preparing this Report, the Committee has been well served by five of these university representatives from across Canada with editorial assistance and advice. They are quoted often herein.

Testimony from *research institutes*, such as the Forest Engineering Research Institute of Canada, (Feric) Forintek and the Pulp and Paper Research Institute of Canada (Paprican), was revealing about past scientific and technological progress which has been made in Canada's forest sector. Especially also, they have been clear about the need and potential for increased research in future years, and about the competitive application of such research. With the traditional role of Forestry Canada so strongly focused on science and technology, there are pressing expectations for increased federal investments in forestry research as a major thrust of the new Department of Forestry in pursuit of its mission towards sustainable forestry development.

It has been said many times that we are resource rich; but our competitive position relative to the other forest regions of the world and their rapid-growing plantations has changed...we must therefore apply our knowledge, skills and experience to offset the advantages of increasingly competitive forest regions.

This can be achieved only with an aggressive, sustained, results-oriented research strategy in all phases of the global forest sector. Time does not permit a comprehensive review of forest research in Canada, or to emphasize the need for more research. We all know too well that from a research point of view, Canada does not hold an enviable position vis-à-vis other industrialized countries, some of them our most ardent competitors.

— J.A. Bérard, President, Forest Engineering Research Institute of Canada (Issue 6:24).

Although invitations were extended to all *provincial and territorial Ministers* responsible for both Forestry and the Environment, only the Honourable Morris V. Green, Minister of Natural Resources and Energy for New Brunswick, actually appeared before the Committee. In most other cases, written submissions were received from Ministers responsible for Forestry in those governments. While cautioning against direct intervention by the new federal department in exclusive areas of provincial jurisdiction and authority, there seems a consensus of support from these Ministers for an increased role by Forestry Canada, especially in terms of financial and research leadership towards a national forest strategy. Some provinces went further than others. For example, the presentation by the Assistant Deputy Minister of the Manitoba Department of Natural Resources called on the federal Department of Forestry to become Canada's *lead agency* in promoting sustainable forestry development on a global scale. The brief submitted by the Minister of Renewable Resources for the Northwest Territories emphasized that Forestry Canada should continue its *leading role* in a national forest strategy, and that it should play an even larger role in assisting with management of northern forests.

The primary role of the new department must be to facilitate the management of our forest resources by their owners: governments, industry, and individuals. It is the owners of these resources who are ultimately responsible for their management. The principal owners are the provinces. It is the role of the federal government to facilitate management by linking all of these efforts towards national objectives and by creating a setting that fosters improved resource management and the development of a wide variety of social and economic benefits our forests can sustain.
— Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:7).

The Committee also examined *federal-provincial agencies* in the search for a model to help develop intergovernmental co-operation and collaboration in forestry. The Canadian Interagency Forest Fire Centre, which was established in 1982 with the federal and all provincial governments as its members and directors, seems to be quite a good example of how governments can formally organize themselves to work together for improved forest management, in this case the fighting of forest fires.

Another federal-provincial body which exists at the policy level is *the Canadian Council of Forest Ministers (CCFM)*, which has been suggested by several witnesses as the most appropriate consultative organization for advancing a national strategy of sustainable forestry development. The Committee agrees that the CCFM does seem to hold the best

potential as an official forum for building consensus towards a national vision for Canada's forests. The strength of the links which can be forged by Forestry Canada through that organization will be one important harbinger for the success of the new federal department.

Canada's forests and the practice of forestry impact on many *federal government departments*, and the Committee conducted extensive hearings with representatives from six of them, including the Minister of Forestry himself. Of particular interest were discussions with officials from the Department of Environment, where there is an important interface with Forestry Canada in such programs as the Green Plan and the Environmental Assessment and Review Process (EARP), both of which are in a state of evolution at the present time.

In financial terms, forestry deserves to wield significant influence as a large net contributor to federal coffers. It deserves high priority in federal tax policies and finance plans. We found that a great deal of attention, effort and investment is provided to forestry by the federal government, but were left with the impression that the overall response is lacking in intensity and focus, because the subject of forestry is scattered and dissipated throughout so many different departments. The present administration of forestry in Ottawa is organized through various programs and inter-relationships among individual departments, and in many cases is formalized through Memoranda of Understanding (MOUs) and special inter-departmental committees. However, it does seem clear that *forestry lacks the concentrated influence that it should have at the federal level*. Even in reports by Statistics Canada, forestry figures are frequently subdued within general manufacturing members.

Obviously, there are *major players* to be included and *many views* to be considered as the sustainable future for Canada's forests unfolds, but probably *none any more important than those to be found within the federal government service itself*. To consolidate and intensify the federal contributions already being made to forestry in Canada, will be one of the vital goals in Forestry Canada's mission.

1C. STEWARDSHIP: SUSTAINABLE DEVELOPMENT

Stewardship is not a slogan, it is a state of mind — a commitment to sustainable management action!

The concepts of *stewardship* and *sustainable development* seem interchangeable. Perhaps it can be said that *stewardship is the principle by which sustainable development is achieved*. In any event, both terms seem to apply well to the definition contained in Section 6(d) of Bill C-29, which created the new federal Department of Forestry, “*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*”. This emphasizes the unique and special responsibility of the new department.

Another way of saying this might be that the Act imposes a responsibility upon the Minister of Forestry for promoting stewardship of Canada’s forests, which means *helping to hold and manage them in a manner to enhance and not diminish the sustainability of forest values*. There can be no doubt about the need for that principle of stewardship in any future approach to our forests. That truth is well expressed by separate quotations from three British Columbia witnesses, who among themselves frequently have conflicting views of forestry in Canada, but each of whom has individually contributed to a firm consensus on this key tenet of stewardship for managing our forests.

First of all, to sustain something means stewardship. Stewardship simply means protecting things today, sacrificing in the present in order to protect the future. — Herb Hammond, Professional Forester, Sierra Club of Western Canada (Issue 7:15).

We have one more chance, not simply to ensure the status quo for industrial timber supplies, by itself a timid and unworthy goal. Canadian land managers are now obliged to speak of expanded yield of industrial timber. Even more important is the urgency of a joint strategy, one which also recognizes non-timber values and environmental aspects of forest lands stewardship. — F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Issue 7A:19).

Stewardship is based upon the principle that the first priority of any forest use should be the protection in the short and long term of the integrity of our forests. — Harold Derickson, President, Intertribal Forestry Association of British Columbia (Issue 18:7).

The Committee has heard virtually *unanimous support* for applying the concept of *sustainable development* to forestry in Canada.

The forest has a great economical importance in terms of the forest industry as well as in terms of the fauna and recreational resources it has to offer. As it covers very vast areas, it must be one of the first things targeted by any government, private or even community action in terms of sustainable development... It is the place par excellence to apply and implement the idea of sustainable development. — Claude Godbout, Dean of Forestry and Geomatics, Laval University. (Issue 1:8).

Representatives of industry, for example, view the concept as being entirely consistent with their own long-term objectives, and they see themselves as playing major roles in its implementation. Many witnesses offered *definitions* of their own for sustainable development:

...management which ensures that the use of any forest resource is biologically sustainable, and will not impair the biological diversity or the use of the same land base for any other forest resource in the future. — Jim Cayford, Executive Director, Canadian Institute of Forestry (Issue 5:5).

In my view, it really does mean environmentally sustainable economic development, ... — Cecil Flenniken, Chairman and Chief Executive Officer, Canadian Pacific Forest Products Limited (Issue 24:30).

In contrast, a significant amount of testimony placed a much stronger ecological emphasis on the definition, including concepts of biological and genetic diversity. This paralleled the report of the 1980 World Conservation Strategy which proposed as its three objectives: (i) the maintenance of essential ecological processes, (ii) the preservation of genetic diversity, (iii) ensuring that the use of species and of ecosystems is sustainable.¹⁶ More than one witness addressed these ecological aspects of sustainable development:

To me, the definition really involves one important factor, almost above all else, and then it involves a second subservient factor. The first factor is that all uses within a forest, if you are talking about integrated use, have to be ecologically responsible. That also involves a fair amount of definition, if you were to go through what ecologically responsible is, but I will say to you that the cornerstone of ecological responsibility is the maintenance and protection of biological diversity across the landscape. If you do not maintain and protect the biological diversity across the landscape, you lose your options, both economically and ecologically. There is a lot of evidence behind that to back it up. — Herb Hammond, Professional Forester, Sierra Club of Western Canada (Issue 7:17).

It is apparent from these and other definitions that the concept of sustainable development means different things to different people. Clearly, however, it is more than merely *sustained yield* or just *ecological diversity*. Rather it entails a more comprehensive and complete approach to forestry, which will require truly *integrated management*.

For the purposes of this Report, and as a proposal for consideration by others, the Committee has adopted the definition of sustainable forestry development as being, “*planning and managing the multiple uses of forest resources in a manner that will meet the needs of the present without compromising the capacity of forest ecosystems to meet the anticipated needs of future generations.*”

One other thing that sustainable development means is that *we cannot start simply by saying stop!* It is not sufficient to merely impose or practise constraints as a way of achieving management action. Invariably, the results of isolated constraints in one direction have compounding domino effects in other directions, and frequently *inhibit* sustainability rather than *enhance* it. For example, “*to stop clear-cutting*”, could be read as, “*to start high-grading*”, which is not the way to sustainable development. What is needed is *integrated planning and action* to serve *all* sustainable goals.

Absolutely crucial issue: it is impossible to manage a renewable resource by constraint. It simply is not possible to manage by constraint. You have to move to taking designed actions to intervene intentionally to cause the system to move in a direction.

...Virtually all of our legislation is legislation to prevent actions. The legislation is designed not to allow something to occur. We will speak of stopping clear-cutting, stopping planting, stopping road building and so on.

We will not achieve, and we will not even approach management of the resource, until we switch into an active mode. — Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 11:5).

More than anything else, we need to *set ultimate goals and objectives* for our forests *even before we set out to achieve them*. Given the major players and many views to be accommodated by sustainable forestry development in Canada, this means *building a consensus* about those goals. That is really *the beginning* of sustainable forestry development. That is the primary and vital role — *the mission* — which we see for Forestry Canada — *to help build that consensus!*

A start has been made. In British Columbia, a forests vision study is under way. At least one province, Manitoba, has begun to develop the concept of sustainable development into a series of operating principles, and is basing its forest policy on them. The CCFM offers a forum in which to bring all views together. The Committee is persuaded that creation of a

national strategy for sustainable development of all of Canada's forests in this manner is essential, and we are encouraged by the abundance of skills and talents across Canada available to assist in achieving such a national purpose. There seems a powerful role to be played by the federal government in setting the process in motion, and we believe Forestry Canada is the right vehicle for doing so.

The key element here is vision — that is, the importance of developing an overall mission for the department and charting a path for the forest community.

Therefore, the main goal — and the overriding first goal — of the department should be to define and promote a national vision. — Wildlife Habitat Canada Brief, May 9, 1990 (Issue 21A:6-7).

The *costs and benefits* of sustainable development will obviously be fundamental to its planning and implementation. One critical determination will be: how are they to be *shared*? The prospects of increased application of the principle of “user pays” would certainly be an important consideration. However, the basic question is really not whether we can afford to implement sustainable development, but rather, *whether we can afford not to!*

One of the things that often bothers me is the talk about sustainable development as if it is going to be a major expense. If you are producing a resource in the land, if the lands do not remain healthy and the ecosystem, the plants, and the fauna above do not all remain healthy, it will not be economic. As a Christmas tree producer we are probably a glowing example of sustainable development. We work on wild stands, naturally regenerated, and continue to produce trees, some of them for 40 or 50 years now, on a very economically viable basis.

I hate this feeling that sustainable development is necessarily going to cost a lot. The reason it will cost us some money in the near future is that we have neglected our forests and not kept them healthy. We have to correct that. After we have done that job, I think you will find our forests much more manageable and healthier. — Matthew Wright, Vice-President, Nova Scotia Forest Products Association Inc. (Issue 24:44).

Many industry people are justifiably concerned about increasing costs as the result of new regulatory systems and requirements for multi-disciplinary land management. There are fears that constraints on timber harvesting will be imposed, instead of positive action for generating other forest values. This would cause reductions in available timber supplies and increases in delivered wood costs. One estimate for British Columbia alone is that

constraint-oriented management disciplines could add annual costs of one-half billion dollars for raw material based on current harvest levels. Such major economic impacts will be hard to bear following similar increases in costs due to stumpage and other policy changes in that Province during 1987-88.¹⁷ Not only would these costs come at a time when the industry is currently struggling with new expenses from pollution control, recycling investments and present timber shortages, but also at a moment when the Canadian economy seems on the sharp edge of recession.

It is to be hoped that a more constructive approach to managing for all forest values will result in moderating costs and improving outputs. Perhaps we can only rationalize any new burdens as repair costs for insufficient stewardship of our forests in years gone by, and perhaps also we shall decide that these costs are not fairly a burden for industry alone. After all, society in Canada has long been using the forest primarily to create jobs. Taking the long view, however, as painful as the transitional costs may be, the implementation of sustainable forestry development must be seen in the very context of survival. The overwhelming benefits will be to avoid the losses of unsustainability, and to reap the rewards of environmentally stable economic growth indefinitely into the future. A forest land base which is developed to support a comprehensive diversity of activities should ultimately be capable of producing a more diverse and stable economy.

Growth and development, while essential to meet our needs, *must be sustainable*. Jim MacNeill, who was Secretary General of the Brundtland Commission, interprets sustainable growth to mean “*growth based on forms and processes of development that do not undermine the integrity of the environment on which they depend.*”¹⁸ This suggests that where economic development undermines the sustainability of the environment, *then the environment must take precedence since it is the foundation for economic development.*

The Committee agrees with these interpretations, as well as with an analogy that is frequently drawn between *economic capital* and *ecological capital*. Just as maintaining economic capital is essential to general economic development, so maintaining ecological capital is an essential condition for sustainable forest resource development. As MacNeill writes, “*a nation’s basic stock of ecological capital should not decrease over time. Rather, a constant or increasing stock of natural capital is needed so that we can live off the interest.*”¹⁹ Another way of stating this is that biological capacity to produce must at least be maintained, if not indeed expanded.

Competing demands on our forest resources, and the consequences of inadequate management on both economic and ecological fronts, demand action. *Who is responsible?*

Ultimately, *we the people are responsible!* More than 90% of Canada's forests are owned by governments, *by us!* In Canada, direct forest management responsibilities belong primarily to the provinces, owning 80% of all forest lands. About 11% is federal government, while only 9% is private.

Indirectly, however, these are also *shared responsibilities*: shared among *all* levels of government; shared with *all* companies in our forest industry; and shared with *all* the vast number of citizens who use the forest. The means for sharing these responsibilities are evolving rapidly, but not rapidly enough to keep pace with events. *A more comprehensive and co-operative approach is critical. In Canada's forests of tomorrow, none of the players can successfully practise stewardship alone!*

Therein lies the potential for Forestry Canada to play its most meaningful role — *to help convert the concept of sustainable development to reality in Canada's forests, and to help convene the consensus required to do so successfully!*

RECOMMENDATION NO. 1 — The Committee recommends that the following conclusions be adopted as the philosophical foundation for the basic mission of the new federal Department of Forestry:

- (i) **The principles of sustainable development and stewardship must be the basis for public policy concerning the management of Canada's forests, both now and in the future.**
- (ii) **The responsibilities for stewardship to achieve sustainable forestry development rest broadly in an interdependent manner with all stakeholders in Canada's forest resources, although policy and land management decisions belong primarily to provincial governments in their respective areas of ownership and jurisdiction.**
- (iii) **In terms of developing a national forests strategy, and convening a national consensus among all interests to ensure the successful implementation of that strategy, the new federal Department of Forestry must play a leading role, in co-operative and collaborative partnerships with the provinces, the territories and all other stakeholders.**

1D. SETTING THE MISSION DIRECTIONS

It seems apparent to the Committee that the first step towards sustainable development in forestry is to reach an understanding of what it means and how it is to be achieved. *What do we want from our forests? What are the development goals to be specified? How will conflicts be resolved and agreements reached about those goals? What determinations will be required to prove the goals are sustainable?*

The search for these answers is, in the Committee's view, the foremost *mission* for Forestry Canada: to help all stakeholders in Canada's forests define and develop the terms of reference for sustainable development in forestry, taking into account its profound implications both economic and environmental, and its application both domestic and global. That is the nature of the task for the new federal Department of Forestry which emerged directly or indirectly from the testimony of virtually every witness heard by the Committee.

It is now abundantly clear that, to implement the concept of sustainable development in Canada's forests, it can no longer be business as usual in the practice of forestry. Neither just sustained yield of timber, nor increased wilderness areas, nor any other single use of the forest equates to sustainable development. Forest management in the future must not only incorporate such values as timber and parks, but must also address and integrate in substantive ways all other forest values such as wildlife and biological diversity, to name only two. Further, we must find ways to *measure* each of those values to be able to *manage* them.

As one analyst has written, "...*sustainable development is a concept, not a blueprint*".²⁰ Sustainable development is not just a scientific and technical term, it is also a *political term* developed in a non-partisan context. It is through the process of dialogue and debate in a quasi-political forum that goals and objectives can be defined, that competing interests can best be reconciled and that consensus can be developed. It is in the political context of sustainable development that players are brought to the table, that a common database is engendered and that the process of reconciliation, rationalization and resolution begins. In the end, the results must obviously be *both technical and political*.

In the straightforward sense, the idea of getting that inventory, looking at the various possible uses, what it might do socially, economically, and what kind of mix of uses would come closer to representing what people believe would be appropriate would be a good process. At least it would bring it all out on the table so everybody could see it at the same time. Some of the difficulties these days is everyone believes there is something there but they are not sure what it is, and so they perhaps tend to be more forceful about

points of view than might be the case if they could see in fact that here is the whole array and there is some sense of balance to it. — Jim Collinson, Assistant Deputy Minister, Canadian Parks Service, Department of Environment, (Issue 25:34).

While sustainable development is in part a political concept, it is nevertheless a *neutral* one, and must remain so. It is neither environmental nor economic in bias, but rather is a process to meld those often competing ideologies into judgements and conclusions which are balanced and workable. It is in *the leadership for developing such a process, and establishing a structure in which to conduct it formally*, that our Committee feels the *essential mission* of Forestry Canada can be found.

In his extensive testimony before our Committee on two separate occasions, Gordon L. Baskerville, Dean of Forestry at the University of New Brunswick, provided many insights, these among them:

Sustainable development is not possible without some fundamental changes in our approach to the handling of the forest resource. Sustainable development is not a natural pathway. It is not a pathway that we will find by simply blundering along from day to day, and telling ourselves we are doing fine. Sustainable development quite literally requires cultural change. (Issue 1:49).

The Canadian forestry sector is in transition. The most pervasive thing in the sector in the 1990's is change. Literally everything is subject to change. The way of doing things is changing, the ways we think about things are changing. And that is essentially good news; really good news. It can turn into bad news if the change is not structured, and therein lies the potential role, a crucial role, for Forestry Canada. (Issue 1:47).

We have a constitutional structure that literally is dangerous. The provinces own the resource, the federal government has access to the largest chunk of money for the development of that resource. One says, you can develop my resource if you spend the money my way; and the feds are saying, you can spend the money on your resource if you do it my way. Instead of co-operation right now, there is a competition for taking credit.

There is a need for a structure that does not now exist. (Issue 1:51-52).

The Committee senses a general tone of conflict about forestry in Canada, almost a notion of our forests being torn apart among competing demands. It certainly goes without saying that Canada's forests *tomorrow* will have increasingly complex and conflicting

disciplines placed upon them, even more so than *today*. Some examples of these are worth reviewing as we set the direction for Forestry Canada's mission: this list is far from being exhaustive:

- (i) *Forest inventory technology* such as geographic information systems (GIS) will have to be applied more broadly to take into account the many emerging aspects of our forest resources and the variety of uses expected of them.
- (ii) Similarly, *forest management plans*, and techniques for monitoring and evaluating them, will require much wider scope and application.
- (iii) *Environmental considerations* will be dominant factors in all policy and planning related to forestry, with *public consultation* becoming an essential part of the process. For example, the role of the forests in helping to maintain *the carbon-dioxide balance* in earth's atmosphere is considered a major factor in serious concerns about *global warming*. As well, *environmental assessment* of forest activities will become more commonplace.
- (iv) Increased areas of forest land will be demanded for *preservation of ecosystems and genetic diversity*; concurrently, forest management practices are likely to become more intensified on areas identified as *working forests*, to make up for reductions of timber supply.
- (v) *Harvesting methods and practices* will have to be re-examined in light of the broader aspects of sustainable development, with many questions already being posed. For example, do plantations of *single species* result in a net reduction of biological diversity? Does intensive forestry result in a net reduction of *site productivity* over time? Do harvesting practices on poor quality sites result in *deforestation*? Do some forestry practices result in *species loss*? Is *clear-cutting* a tolerable concept?

About the controversy of clear-cutting, there are the horror stories of massive clear-cuts. You can just as easily destroy a forest by cutting it poorly on a selection system as on a clear-cutting system. The point I would like to make is that if clear-cutting is applied in the right manner versus selection cutting, both systems can achieve the end objective as forest management. Clear-cutting is a renewal process. The selection system is a different process, where you are managing many stems of many ages and what you are doing through the cutting process is regenerating it. There are modifications of clear-cutting, of course. In the case of certain areas there

are modifications; strip cuts, chevrons, patch-cutting, and so forth. Quite often these are used in conjunction with other considerations, such as wildlife, to maintain wildlife habitat in those situations. — John Iverson, Manager, Forestry and the Environment for Ontario, Domtar Pulp and Paper Products Ltd. (Issue 25:17).

- (vi) *Recycling of forest products* and related wastes will become more commonplace. While the impacts of recycling are not fully known, the Committee understands that at its maximum application, annual volumes of millions of trees might be saved for alternative uses, or to permit an equivalent harvest reduction. Those seem large numbers, but recycling potential does not apparently bear much practical significance to current harvest levels.

Witnesses have emphasized in various ways that *the process of sustainable development must be started by deciding — in advance, and with all interests present — what we want to accomplish.* A schedule of goals is needed, not merely *constraints!* Without question, our economic expectations will continue to grow, with forestry being one of the main generators of employment and revenue dollars. Simultaneously, the forests will increasingly become a symbol for our environmental quality of life. The real hope for the future of forestry lies in our ability to integrate and reconcile these competing priorities in our management plans. It is certainly the ideal for which we must strive.

I would like to mention one particular aspect of sustainable development which I think is emerging as a very critical need. I think it might help us to focus as a country on sustainable development. This is the reconciliation of the conflicting demands over forest land use between the various users, including the forest companies, the wilderness enthusiasts, the recreationists and so on.

I think as we move into the 1990's, it is going to become a very critical problem. In other words, how do we reach those decisions about what forest land base is required to sustain that industry through time on into the next century? What forest land base is required to satisfy other legitimate users of the forest environment? — J.R. Carrow, Dean of Forestry, University of Toronto (Issue 1:27).

The testimony before the Committee succinctly summarizes what many witnesses feel is the most pressing issue facing the forest sector in Canada today; *to find a process and a structure* that will bring together all stakeholders in the search for commonly sustainable goals. Every prospective user of the forest must be identified, *and they all must be able to*

define their objectives. Most importantly, each must be prepared to exercise compromise and concession as consensus is reached, always with respect for the disciplines of sustainable development and for the natural dynamics of the forest.

Finally, I would argue that the technology we need to manage the forest resources exists right now. It is largely in hand. There is nothing we have to invent. What is needed is a structure to allow that technology to work in the forest, rather than simply on paper.

At the risk of outraging some of my colleagues, I would also suggest the answer is not more money. The answer is more reason. We need a more reasoned approach. We need to look at ways to control the forest itself, and not be so concerned with how much money we have to do some particular things we like to do, like plant trees. — Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 11:7).

It is therefore a *process* and a *structure* that we must develop at this time. The right prescriptions will emerge if we develop the right approach. The process and the structure will be every bit as important as the policies they produce.

We first of all have to have a vision. Then we have to have policies that adopt some kind of visionary direction. Then we have to have targets and priorities and action plans and accountability. — F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Issue 7:37).

In some effective and representative fashion — province by province, and as a nation as a whole — we must bring all of the interests in forestry to the same table, at the same time and with the same facts before them. We have often been told that even the most vigorous opponents will generally resolve their differences once they are confident of viewing the same scene with common knowledge and information.

The beginnings of such a visionary planning process — *really one of forward land-use planning* — must commence primarily with the provincial governments who are the principal owners of our national forest resources. Virtually at the same time, however, the federal government must help to ensure that national objectives and perspectives are co-ordinated with provincial plans to serve the country as a whole.

Industry believes that old-growth forests, wilderness, and the working forest can exist in harmony. However, in those areas where there is dispute, the industry, along with many other recreational, industrial, and community organizations, supports the development of a land-use strategy. — Mike Apsey, President, Council of Forest Industries of British Columbia (Issue 15:7).

Undoubtedly the most critical aspect of attaining sustainable development in forestry is that of *resolving resource-use conflicts*. As we have seen, that resolution of differing views must take place as goals are set at two levels. The first is at the local level within the provinces, *defining objectives*, which we might call *planning the plan*; the second is between governments and major stakeholders on both a provincial and a national scale, *resolving conflicts*, which might be termed *convening the consensus*. Each level of the process will require special mechanisms, *but the major mission is to design and initiate the process, and to build a suitable structure within which to conduct it in a formal sense*. In our committee's view, that is *the mission* for the new Department of Forestry, and its success in this direction could well be the determining factor in the course of Canadian forestry on into the next century.

To say it again: *if the concept of sustainable development is ever to be practised successfully in Canada, surely it must begin with our most precious natural resources — those to be found in our forests!*

RECOMMENDATION NO. 2 — The Committee recommends that, as the basic mission for the new federal Department of Forestry, it be charged with initiating and developing a process and a structure for the design, planning and implementation of sustainable development in Canada's forests, in a manner that will reflect these key perspectives:

- (i) to help sustain and carefully expand Canada's diverse use and enjoyment of its forest resources, recognizing that increased future development of the forests may prove essential to those goals;
- (ii) to fulfill Canada's obligation to help sustain the earth's ecosystems on a global basis;
- (iii) to accomplish the foregoing while fully respecting the basic constitutional authority of the provinces for most forest management in Canada.

From the beginning, the Committee was well aware that it would be hearing differing views and perceptions about forestry. What we were not prepared for was very fundamental discord as to the meanings of the most basic terminology. Even *the term "forestry" means different things to different people*. For example, in the lexicon of many environmentalists that word is generally used to refer to the timber industry; while to most departmental officials and to industry representatives it encompasses all uses of the forests and their management.

The connotative impact of the word “forestry” leans toward industrial development, instead of the broader, more fully integrated images evoked by the word “forests”. — Matthew Wright, Vice-President, Nova Scotia Forest Products Association (Issue 24:40).

The Concise Oxford Dictionary defines forestry as “*the science or art of managing forests*”. In the Committee’s view, this broader definition of forestry is the correct one. It is the one which includes forest management for timber and other commercial values, as well as for wildlife habitat, recreational pursuits, hunting, fishing and trapping, watershed protection and wilderness preservation. It is a neutral term and can encompass the concept of integrated resource management or any other type of forest management.

Nevertheless, in view of the widespread misunderstanding about the word “forestry” and the values that it reflects, the Committee was receptive to several suggestions, including “*forests, forest resources, or forest conservation*”.

RECOMMENDATION NO. 3 — The Committee recommends that, in the context of its mission and to fully embrace a comprehensive vision of Canada’s forest resources, the new Department of Forestry should be renamed the federal Department of Forests (Forests Canada).

It should be noted that this change would only be applicable in the English language, as the new department is now called *Forêts Canada* in the French language, and Bill C-29 is entitled *Loi sur le ministère des forêts*. In fact, the English and French names of the department will be closer in meaning as a result of this recommendation. For purposes of consistency, and so as not to anticipate any future decisions by the government in this regard, we shall continue to refer to the Department of Forestry (Forestry Canada) throughout the remainder of this Report.

Now, having set the *mission* for Forestry Canada to find the process and the structure which will lead to sustainable forestry development in this country, we shall turn our attention to the *mandate* which the new Department of Forestry will require to carry out that mission, and the *means* it will use to fulfill it.

FORESTS OF CANADA: THE FEDERAL ROLE

CHAPTER TWO

THE MANDATE: FORESTRY STRENGTH AND STATURE

To put it plainly, any effective *mandate* for the new federal Department of Forestry must first of all be established *in Ottawa*. Unless it is clear to all that *the federal government itself* is strongly committed to a high priority for forests and forestry — and prepared to endow Forestry Canada with the responsibilities and the resources necessary to give it *real strength and stature* — then it is extremely doubtful that Forestry Canada will be able to fulfill the potential for leadership which awaits it in the pursuit of sustainable forestry development in Canada.

The starting point for this mandate is a national vision. I understand that the ministry is working on that now and I think it cannot be pushed too strongly. It is not just a strategic plan; it is not just some long-term numbers; it is a vision of the destiny... of the forest resource in the decades ahead as a primary generator of income and employment, as an export sector, as the support system for recreation, tourism, wildlife, fresh water, as the symbol and substance of the lifestyle of Canadians! — F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Issue 7:42).

Federal involvement in forestry has been erratic at best over the years. As an examination of history will reveal, despite the obvious importance of the forest resources to the entire country, there has consistently been a sense of caution, uncertainty and confusion over just what the federal role should be, primarily because the provinces as principal owners of forest lands have always been regarded as the major players.

... I worked for what is now Forestry Canada for 19 years. In that period of time, in 19 years, it had 13 different letterheads. That, more than anything else indicates the stability or lack thereof in the structure during that period of time. — Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 11:17).

In the view of our Committee, *there is a critical and essential mission* for Forestry Canada to help lead stewardship of our forest resources on a national basis. It is also our firm conviction that *that mission must be supported by an exceptionally strong mandate* from the federal government at the highest levels, within both political and bureaucratic ranks. Otherwise, as history will also reveal, the re-incarnation of Forestry Canada as a full-fledged department will likely be doomed to failure. In those circumstances, it would be better for it *not to have been re-born at all!*

2A. SOME LESSONS FROM HISTORY

It has often been said that if we do not learn from history, we are bound to repeat it. Therefore, it seems worthwhile to examine briefly the past history of federal involvement in forestry, particularly the establishment of the first Department of Forestry in 1960 and the reason for its fairly rapid demise.

The roots of a federal Department of Forestry can be traced back to 1899, when the post of Chief Inspector of Timber and Forestry was created in the Department of the Interior. This soon became the Forestry Branch of that department, and within 10 years it had a permanent staff of 40 persons and budget of \$100,000. In 1936, it was renamed the Dominion Forestry Service and became one of four units within the Lands, Parks and Forest Branch of the newly established Department of Mines and Resources.

In 1949, Parliament passed the *Canadian Forestry Act*, described as an *Act respecting forest conservation*, which gave authority to the federal government to enter into agreements with the provinces for the purpose of protection, development and utilization of forest resources. In 1950, the Dominion Forestry Service became the Forestry Branch within the new Department of Resources and Development, where it remained for only three years before it was moved to the Department of Northern Affairs and National Resources.

Federal forestry reached its zenith in 1960, when as a result of the foresight of leaders in the House of Commons and successful lobbying efforts by the forest sector, the first ever autonomous federal Department of Forestry was established. This action followed extensive hearings by the Standing Committee on Mines, Forests and Waters in the previous two years. The Honourable Hugh John Flemming, formerly a Premier of New Brunswick, became its first Minister.

Incorporated into that new department was the Forest Biology Division from the Department of Agriculture, which conducted research in forest entomology and pathology, thereby strengthening the focus of federal forestry efforts in the area of research. The new department flourished briefly, but began to fade unaccountably soon after the Montebello Forestry Conference in early 1966. In June of 1966, it was merged with the Department of Rural Affairs and its ARDA (Agricultural and Rural Development Assistance) programs. Two years later it was moved again, into the newly created Department of Fisheries and Forestry. It became known as the Canadian Forestry Service (CFS), and curtailment appeared to occur quickly after that.

In 1971, CFS was downgraded to a directorate within one of five divisions of the Department of the Environment, falling under an Assistant Deputy Minister who had responsibility for lands and wildlife, as well as forestry. In 1973, another reorganization

placed forestry in the Environmental Management Service. Then, in 1976, that department was again reorganized as Fisheries and Environment, and just three years later was re-established as Environment Canada once more.

Federal forestry took another blow in 1978. The Canadian Forestry Service was further down-sized when its forest products laboratories at Vancouver and Ottawa were privatized to become Forintek, and the forest management and forest fire institutes were eliminated with some of their work re-assigned to other branches of CFS. However, a public confrontation followed with a march on Parliament Hill by the forest constituency, and the government of the day pledged to restore CFS status under an Assistant Deputy Minister. This was not done until 1980.

In 1982, CFS responsibilities were somewhat expanded when the federal-provincial Forest Resource Development Agreements (FRDAs), being administered by DREE, were placed under its administration. However, the more formal strengthening of its mandate did not really commence until 1984 when the post of Minister of State for Forestry was established, albeit within Agriculture Canada. In 1990, more than five years later, and again following lobbying efforts from throughout the forest sector, the current government has restored full departmental status to forestry, and has recreated the federal Department of Forestry with the Honourable Frank Oberle from British Columbia as its Minister. This is the tenth new home for federal forestry since Confederation, and the eighth since 1949.

...At the 1987 Saint John Forestry Conference, there was a unanimous recommendation by all groups around the table that there be a new department of forestry and forest industries. This was later sanctioned by the full council of the Canadian Council of Forest Ministers. — F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Issue 7:41).

In tracing this brief history of organization and re-organization of the federal mandate in forestry, there seems little wonder that a good deal of scepticism exists about the strength of the federal government's commitment to forestry, even today, despite the new department. At the same time, however, there is a considerable degree of hope that Forestry Canada will indeed be given a strong and secure mandate to embark upon the important mission which awaits it. Certainly, our Committee has fully endorsed the *mission*, and we do earnestly recommend that *mandate*.

In attempting to understand the causes which contributed to the premature end of the federal Department of Forestry in the 1960's, we have relied to a considerable extent upon the testimony of F.L.C. Reed who was Assistant Deputy Minister responsible for the Canadian Forestry Service in the early 1980's. Both in his 1989 paper, *The Status of Forestry*

in the Federal Government, and in his evidence to the House of Commons' Legislative Committee on Bill C-29,²¹ Reed states these reasons as being the principal ones for the 1960 department's failure to survive:

- (i) *A lack of vision in the federal Cabinet; the terms of reference were too narrowly confined to forests and the industry side was omitted, as were considerations for wildlife, recreation and other non-timber values;*
- (ii) *A lack of dynamic leadership and management in the Canadian Forestry Service, which had as its main program element a science that was somewhat removed from the practice of forest renewal and other resource management functions; research scientists without operational field forestry experience were placed in all key positions.*
- (iii) *A pronounced indifference in the forest constituency, caused substantially by poor communication and liaison with the private sector and the provinces; relationships were badly neglected, and in some cases badly damaged.*

In the early 1960's, the department did not have many of the essential components that were most relevant to the forest sector. For example, The Department of Industry, Trade and Commerce had responsibility for the forest industry; Indian Affairs directed the management of most federal forestry activities; Mines was responsible for mapping; and the Forest Resource Development Agreements (FRDAs) were administered through the Department responsible for Regional Economic Expansion (DREE).

Our Committee believes that this history makes a crucial point: in order to be truly credible as a national forestry influence, *such a federal department really needs to be a full service agency embracing all of the forest-related functions of government.*

Perhaps, however, the chief reason for failure of the 1960 federal Department of Forestry was that it was centred almost exclusively on a *core function of research.*

They were some of the best research people in the world, but they did not have the co-ordinating responsibilities, the management responsibilities, the policy functions. As simply a group of research people, they did not earn a wide degree of support in the community, either here in Ottawa or across the country.

I have no doubt whatsoever that a mandate centered in 1990 on forestry research and development is doomed to fail, just as it did in the 1960's.

— F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Issue 7:40).

There are other, deeper reasons that the 1960 department did not survive. For example, in 1964, Prime Minister Pearson advised the Canadian Institute of Forestry in a letter that the decision to abolish the department was related to constitutional limitations on the range of federal actions relating to forestry. He also noted the relatively small size and workload of the department.

Overall, the history of federal forestry is a troubled one, and is one which tends to pay disrespect to the importance of the forest sector to Canada's economy and to our way and quality of life. It is hoped that this brief history emphasizes how essential it *now* is to define a solid role and mandate for Forestry Canada *in 1990*. Our Committee has concluded that there are *five strategic considerations* to be addressed to ensure an enduring mandate for the new department, so that the history of the 1960's does not repeat itself:

- (i) *to consolidate a critical mass of virtually all federal forestry activities under the mandate of Forestry Canada;*
- (ii) *to develop an operational role and capability for Forestry Canada in the management of federal forest lands;*
- (iii) *to expand that department's traditional role in research and technology, with particular emphasis on functions that require national leadership;*
- (iv) *to identify and define a secure policy and constitutional basis for the federal role in national forest policy, so that a solid federal presence can be constructed and not merely contrived;*
- (v) *to commit the human and financial resources necessary to fully support the federal role.*

It will be a compelling challenge throughout the federal government to demonstrate that Forestry Canada is now here to stay; that its mandate will be endowed with strength and stature; that its services will become well developed, truly valuable and fully utilized. It is essential to the forests and to forestry *that the full scope and potential for the federal Minister of Forestry be recognized and applied* in the immediate years ahead. Otherwise, there is a clear risk that *his mandate may again not survive!*

2B. PRACTISING FORESTRY IN OTTAWA

To repeat, in the Committee's view, *it is on the Ottawa scene, from within the government itself, that Forestry Canada must acquire a vastly more powerful mandate. As lessons from history have demonstrated—unless the forests are accorded the high priority which they deserve; and unless the critical mass of forestry responsibilities and resources are consolidated in the new Department of Forestry—then the chances for success of that department are even more nebulous today than for its predecessor of thirty years ago, which did not survive a single decade.*

The bill gives the Minister jurisdiction over all matters relating to forestry and forest resources not assigned to any other department. Obviously, there has to be some organizational necessity to this, but it leaves the Minister far short of the tools needed to provide the necessary co-ordination to the sector. The sector is far more than the forest industry. International trade, labour, transportation — all these things come into it. There has to be some way of ensuring that the rest of the federal government does not ignore the forest sector in the development of their policies. — William Fullerton, President, Canadian Forestry Association (Issue 5:28).

There are numerous federal departments and agencies which have jurisdiction or involvement in forestry matters, perhaps as many as twenty of them. Some of these wield a more direct influence than others. For example, the Parks Service under the Environment Department has authority over forests in federal parks, and thereby represents the largest forest custodian of the federal government, south of the 60th parallel.

While many of these departments or agencies have an *operational mandate* for various aspects of forestry, *Forestry Canada does not*. The new department is in the remarkably ironic position of having the greatest potential of all federal agencies to influence forestry in Canada, but it has no lands of its own to manage and with much of the forestry mandate dissipated through many other departments.

The worst danger confronting the federal government and more particularly the new Department of Forestry, is that of wanting to play a more active role on the provincial property, thus leading to a conflict over jurisdiction with the provinces; while on its own federal lands, it does not even have the power necessary to play the role it should by right be playing. — Claude Godbout, Dean of Forestry and Geomatics, Laval University (Issue 1:9).

If Forestry Canada is to have credibility and influence on a professional basis with its colleagues in the provincial governments and among the major stakeholders in Canada's forests, then it must develop real, on-the-ground forest management capabilities to

supplement the strong traditional reputation it has enjoyed for forest science and technology. Even that unquestioned stature in forest research has not, in the minds of many observers, been sufficiently applied to practical management, and there is a tendency for the entire organization to be viewed as a valuable scientific agency, but one significantly detached from real-life operations in the forests.

The new Department of Forestry should, first and foremost, be playing its role on federal land. If it cannot play its role on federal land, how can it do anything elsewhere? That includes parks, animal reserves and other areas wherever they may be. On this point, the legislation is a little weak, a little bit too voluntarist. — Claude Godbout, Dean of Forestry and Geomatics, Laval University (Issue 1:9).

Federal forest lands account for 11% of the total amount of productive forest lands in Canada, including northern forests in the territories. These federal lands are mainly the responsibility of departments *other than* Forestry Canada, specifically Environment, Indian and Northern Affairs and National Defence. Forestry Canada does not have any direct responsibilities for the management and use of these federally-owned forest lands. While most of this productive forest is strictly protected by Parks Canada and cannot be exploited for commercial purposes, there is still a significant potential for increasing integrated management of general forest values, and there is a particular economic potential on Indian lands and to some extent on National Defence lands as well.

I think we see the federal forestry department taking a very strong leadership role in terms of co-ordinating responsibilities regarding forest resources and forestry across Canada. Several other ministries and agencies are involved in various aspects that relate to forest resources and forestry issues. The federal forestry department should be the lead agency. — Bob Staley, President, Ontario Forestry Association (Issue 8:32).

In this regard, a present major role of Forestry Canada is to collaborate with other federal departments that pursue forest activities, by providing them with its expertise and knowledge. To this end, Memoranda of Understanding (MOUs) have been arranged between Forestry Canada and several other departments.

If I were to summarize our relationships with other departments, I would say they are very satisfactory. There is a tremendous degree of co-operation. We try to improve this by maintaining more active contacts with other departments, and to this end we are developing Memoranda of Understanding with a number of departments. This way we will be clear about our respective responsibilities. The Department of Defence, the

Department of Environment, the Department of Indian Affairs — these organizations have all been working very closely with us along those lines. In this way, we are strengthening our relationships by clarifying our relative roles and responsibilities. — Jag S. Maini, Assistant Deputy Minister, Policy, Department of Forestry (Issue 2:21).

Despite this claim of satisfactory relationships with other departments, many witnesses appearing before the Committee feel that Forestry Canada influence is lacking and that, at the very least, the new department should have management responsibility over federal forest lands. The Committee agrees strongly in this regard, but the *raison d'être* for Forestry Canada goes far beyond just looking after the lands. Becoming truly *a manager of forests* will help to endow the new department with the practical experience and the peer respect required to carry out its main mission, which is to lead the development and implementation of a national strategy for sustainable forestry development.

Thus, in seeking that vision for Canada's forests of *tomorrow*, there are unique and challenging opportunities for bold and creative initiatives by the new federal Department of Forestry *today*. These challenges will demand certain essential ingredients to help ensure effective stewardship of Canada's forests, but more than anything else they will depend critically upon *the commitment of the Government of Canada* to fully support its Minister of Forests with the policy structure and the financial resources necessary to truly play a leading role.

In the view of the Committee, there can be no doubt about the opportunity and the potential which Forestry Canada offers for national leadership towards attainment of sustainable development over coming decades. However, that is *providing it is endowed from the start with the stature, the strength and the critical mass of federal responsibilities for forests and forestry* which will be required to fulfill that role successfully.

The new department must have *stature*: with the provinces, with industry, with the academic community, with conservation groups, with private citizens, and not least within the federal bureaucracy itself. The new department must have *strength*; the financial resources and human capabilities to fulfill its mandate. The new department must have *real influence*; across the full front of forest policy, the decision-making authority to be the *lead agency* for the federal government on *all forest-related issues*.

As we have observed, Forestry Canada has long possessed outstanding expertise in scientific research, and provides invaluable assistance to Canada's forest sector in that respect.

We have two levels of collaboration with the provinces, Mr. Chairman. One, we have a very extensive forest insect and disease survey program in Canada. I bet it is probably one of the best in the world, if not the best in terms of insect and disease records. We work very closely with the provinces in order to enhance our predictive capacity as to when the next epidemic is going to hit. Also, through our research program we have been working for many, many years and we have developed this B.t., the biological control agent. We have strengthened our program on biological control of insects and provinces are working very closely with us in the field trials, etc., so that they take up the technology as soon as it is developed. — Jag S. Maini, Assistant Deputy Minister, Policy, Department of Forestry (Issue 2:21).

However, if the new Department of Forestry is to remain little more than the excellent research agency that it has always been, *then we fear that Forestry Canada will fail.* If it is not to be seized with full scale responsibility and authority for virtually *all* matters of federal involvement with Canada's forests; if it is not to have *real clout* within the halls of power on the federal scene; then we do not believe that it will ever realize the potential which is envisioned for it.

The final point I would make to you is that in your deliberations and in writing your report regarding this new department, I trust you will make the mandate broad enough and important enough so that when the federal minister, whoever he might be, is seated around the budget table he will be able to ask justifiably for his share of the resources available. If you do not, if the federal department is seen as nothing more than the fulfilment of a political commitment, if that is the only way it is seen and if it is not seen as a viable and important department, it will surely disappear—in the same way as the Cheshire cat in Alice in Wonderland; you will have nothing left but the smile. — Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:14).

In this regard, we must state our view with utmost frankness: *if the mandate for Forestry Canada is not strengthened for the role we are recommending, then the Committee is highly doubtful that there is sufficient justification for creating a separate new department at all.*

RECOMMENDATION NO. 4 — The Committee recommends that the Government of Canada empower the new Department of Forestry with a mandate that is fully consistent with the importance of Canada's forests to the country, and with a mandate that is fully compatible with the mission to establish the concept of sustainable forestry development in Canada. Such a mandate should include:

- (i) Consolidation of major federal activities relating to forest land management, forestry and forest industries within the responsibility and authority of Forestry Canada;
- (ii) Provision of the financial and human resources necessary to fulfill that responsibility.

The Committee considers the foregoing to be a *pivotal recommendation* in this Report. Its implementation must necessarily *include the following ten considerations for action* involving other federal departments and agencies. Therefore, these subsequent recommendations should be viewed as integral and inherent elements of the foregoing one.

In making these recommendations, which essentially address the organization of government, we do not intend to imply any criticisms of those Ministers or bureaucracies presently responsible for the various functions involving forestry. In fact, we believe that the moves we are proposing will present sound prospects to improve and strengthen not only Forestry Canada's mandate, but also the mandate of those agencies which we suggest be consolidated within the new department.

We are speaking for *the importance of forestry as its own domain*, to be accorded the priority and attention that is consistent, with its overwhelming effect on our lives in Canada. The impacts of consolidation and concentration offer the potential to enhance dramatically the effective influence of the federal government on forestry affairs, and to strengthen its capabilities for leadership in one of the most critical areas of our economic and environmental future, both domestically and globally.

Therefore, it is the strong view of the Committee that the following organizational actions should be taken by the federal government with respect to its overall forestry infrastructure, not in any disrespect for the performance of those who have been managing federal forestry interests on a segmented basis, but rather in the utmost respect for the even greater good which can be accomplished *by unifying the federal role in forestry* under one powerful mandate in the new Department of Forestry.

Department of National Defence

The Department of National Defence controls 570,000 hectares of land on numerous bases across Canada south of the 60th parallel, approximately 40% of which is managed forest land. In some areas, such as CFB Gagetown in New Brunswick, these lands represent a significant source of wood fibre in a province where soft wood supply is already in critical imbalance. Intensive forest management of the portion of these lands that are surplus to DND training requirements constitutes a significant contribution to the sum of forest values in New Brunswick, both *economic and environmental*.

Although DND does not provide a specific budget for forest management on its lands, that department is practising forestry on revenues from the sale of timber, combined with a small portion of its basic operations budget. It is estimated by the department that expenditures for forest management on DND properties will reach \$780,000 in the current year. At National Defence Headquarters, forests programs co-ordination comes from two permanently staffed positions within the Directorate of Conservation and Environment, while at each base it is part of a designated officer's duties to oversee local forest management programs. Forestry Canada is now contributing to this task at CFB Gagetown with its own expertise by, for example, contracting twenty person-years to DND. Two additional person-years are obtained from private forestry consulting agencies.

We have had a Memorandum of Understanding for some years with Forestry Canada or its predecessor; however, it was not a model of forestry management. We have tried once to update that MOU and we have been tasked this year to update it, to improve it. Before, it mainly covered use of their resources for research on forestry, for fire-fighting and for contracting of the cutting we required for military purposes.

We do not at this time have a national forestry plan. We will be developing a new MOU, as I said. We do have a number of individual forestry management plans and MOUs on several bases. — Tony Downs, Director, Conservation and Environment, Department of National Defence (Issues 25:40-41).

Here is a unique opportunity for Forestry Canada to develop and demonstrate a direct, on-the-ground forest management capability. Not only are there several significant productive forest land areas to be managed for important timber values, but also, at least at CFB Gagetown, other integrated forest resource values such as wildlife and habitat are involved. The additional factor of military training requirements on the land base presents a special management challenge.

Actually, one of the difficulties we have in managing our forests is the fact that military operations take precedence over forest operations. Very often, forestry operations are interrupted without notice, which means that foresters cannot proceed with their work. Many of the larger forestry companies will not work under these conditions. We tend to support the smaller forest companies, the local companies, with our base forest management. — Robert Crétain, Head, Natural Resource Management, Department of National Defence (Issue 25:49).

The Committee feels that, in concert with DND goals for its land holdings, a comprehensive, long-term responsibility should be delegated to Forestry Canada for planning and implementation of intensive forest management operations on those lands.

RECOMMENDATION NO. 5 — The Committee recommends that, consistent with land-use goals and objectives of the Department of National Defence, all forest management responsibilities on its lands be delegated to the new Department of Forestry.

Department of Indian Affairs and Northern Development

It bears repeating, that *no element of Canadian society is more deserving of a place in our forests or in the practice of forestry than are Indian people.*

The Brundtland Commission recommended, and the Government of Canada concurs, that serious initiatives must be taken to assist indigenous people with effective management of their own lands and resources, which are basic to their traditional way of life. The most prominent of these resources in Canada are the forests, and south of the 60th parallel, on more than 2,200 Indian reserves, there is a total of approximately 1.3 million hectares of productive forest land. More than 75% of these forests are considered to be economically accessible. Over the past five years more than \$15 million under federal-provincial subsidiary agreements on forestry has been targeted for management practices on Indian forest land. The Department of Indian Affairs and Northern Development (DIAND) also funds forestry initiatives at the band and tribal council level through the Canadian Aboriginal Economic Development Strategy (CAEDS).

Moreover, DIAND has directly provided \$670,000 in the most recent fiscal year to Indian-controlled development institutions in the forestry area. The 1990-91 Estimates provide only about \$5 million and 32 person-years for resource development activities on Indian lands south of the 60th parallel. These activities are not directed solely at forests, but include all renewable and non-renewable resources. In the Yukon and Northwest Territories, the Northern Affairs program allocates \$40 million and 332 person-years to resource management.

I would like to give you an idea of the extent of Indian forest lands. In Canada there are 2,200 Indian reserves, and they comprise a total area of 2.6 million hectares. About half of this land has been classified by Forestry Canada as having potentially productive forests. Eighty five percent of the bands south of 60 possess forest areas in excess of 20 hectares that are considered to be developable from a commercial point of view, and there are 240 bands having potential productive forest areas that exceed 1,000 hectares. — Mike Sims, Director General, Policy and Co-ordination, Economic Development Sector, Department of Indian Affairs and Northern Development (Issue: 23:24-25).

Current harvest levels on Indian reserve forests are estimated to represent only 25% of the accessible annual allowable cut, and we are told that Indian forests are only growing about one-half of the wood fibre they are capable of regenerating each year. Therefore, not only does it appear that *existing harvest levels* could be potentially *quadrupled* even without intensive forest management, but it is also suggested that *present growth levels* could be

doubled with only a basic level of management. Such potential could reach a total of nearly 5 million cubic metres available for harvest annually, with a value apparently approaching \$200 million and prospective employment of almost 10,000 direct jobs, which is *eight times* such current direct employment in the forests.²² The prospects are striking if these estimates prove to be correct.

It is more than a little confusing to us when two arms of the federal government are sending opposite signals. On one hand, the department that is apparently responsible for Indian lands, INAC [Indian and Northern Affairs Canada] displays no real sense of responsibility and provides little constructive assistance. On the other hand, Forestry Canada, which has to have the permission of INAC to deal with Indian lands, has bent over backwards in trying to help the IFDP [Indian Forest Development Programs] and the Treaty 3 bands.

If you are going to operate a federal department of forestry and you want to do it successfully, you will need a very clear mandate, separate from all other federal initiatives. If you are going to promote proper forest management and do justice to it, leave the job creation and make-work programs to other departments. — Don Jones, Vice-Chairman, Indian Forestry Development Program (Issue 17:21).

Beyond significant economic prospects on reserve forests, the long-term process of native land claim settlements, as witnessed in recent examples, will almost certainly lead to increased areas of forest land coming under Indian control. This will intensify the importance of forest management as an instrument for improving Indian life in Canada, and for doing so in a manner that is uniquely compatible with the traditions of native people.

The Indian people of this continent have always known that we can never conquer the environment. Our natural world is a complex system in which we are but one part, and in order for us to survive and prosper we must interact with the system, not dominate it. The entire Indian way of life revolves around this concept. Any economic activity that relies on any part of the environment for raw material must understand this concept and incorporate it into the performance of that activity.

We have known this for centuries, and it is encouraging to see that the Canadian public and the Government of Canada are finally waking up and taking constructive steps toward environmental responsibilities. — Don Jones, Vice-Chairman, Indian Forestry Development Program (Issue 17:24).

Although the potential for timber production is an important element of forestry on native lands, the use of the forests to support the traditional lifestyle may sometimes outweigh their importance for commercial wood production. For example, the Grand Council of the Crees of Québec told us that more than one-third of their economy is based upon hunting and fishing, and that every Cree person is either a direct participant or benefits from that way of life. Forests have provided fuel, shelter, food, and cultural and spiritual enrichment to native peoples throughout their history, *but all is not now well with these forests:*

...many Cree families have seen their entire traditional hunting territory clear-cut. The results are not pretty. Stumps cut off at the ground level stretch as far as the eye can see. Animals will not survive in this environment. The resulting erosion degrades the water quality of neighbouring water bodies. Oil spilled by the machinery used in clear-cutting can be seen on the surface of once-pristine streams.

For the Cree people who have hunted in these territories it means there will be a period of 12 to 20 years where they must find other places to hunt.

— Bill Namagoose, Executive Director, Grand Council of Crees of Quebec (Issue 17:7).

The present relationship between DIAND and Forestry Canada is based on a 1989 Memorandum of Understanding to establish co-ordinated working relationships and common objectives for the two departments respecting Indian forestry programs. It specified that DIAND will be responsible for assisting Indians to establish economic development initiatives complementary to forestry development programs, and recognizes that Forestry Canada is the federal government's source of expertise and leadership on forest management matters. The MOU states that Forestry Canada, *subject to available resources and the fulfillment of its priorities*, will develop and implement forestry programs in support of Indian forestry initiatives. Some witnesses express doubt that Forestry Canada presently possesses operational field foresters in sufficient numbers for these tasks, and would need to recruit or retrain experienced staff for such purposes.

On native lands north of the 60th parallel, the forest management mandate is in a state of transition. On April 1, 1987, management, control and administration of federal forest resources in the Northwest Territories was transferred to the territorial government. Discussions are now ongoing about a similar transfer to the Yukon government.

At the present time, DIAND is responsible for managing most of the forest resources in the Yukon, including the issue of timber permits. One of the most important and expensive parts of the program is forest fire protection, which for 1990-91 has a budget of

approximately \$7 million and 55 person-years. By contrast, Forestry Canada is responsible only for forest research in the Yukon, and through its Pacific Forest Centre conducts reconnaissance forest surveys and produces reports on the forest economy.

We believe the matter of native peoples' forest lands falls within Forestry Canada's mandate to initiate a proper and continuing course of action, based on co-operation and aimed at the harmonious development of all resources to be found on such lands. — J.A. Bérard, President, Forest Engineering Research Institute of Canada (Issue 6:23).

Thus, if Forestry Canada's operational role is to be enlarged and its management capabilities enhanced, which the Committee believes should be the case, then Indian forests represent another excellent opportunity for this. Again, in addition to the normal broad range of management objectives and values, these responsibilities will differ from those of other forest ownerships in that they will be tailored to especially meet Indian requirements.

The Committee was advised that legislation relating to the harvesting and management of forests on native lands — in particular the 1952 Indian Timber Regulations under *the Indian Act* — is out of date, with the result that the Indian forest resources have been exploited and allowed to deteriorate.²³ The inadequacies have been termed a constraint to the implementation of modern forest management on reserve lands, and we are told that current policies and regulations do not ensure sustainable harvesting, protection or regeneration.

The state of the forests today should reflect our expectations of future prosperity. Right now, it does not look like we expect very much. — Don Jones, Vice-Chairman, Indian Forestry Development Program (Issue 17:23-24).

Testimony from Indian witnesses contain many examples of situations where Indians were not consulted about forest development programs which directly affected them. Yet, the Committee is persuaded that there is much to be gained from close communications with native forestry leaders. In a role as management trustee for Canada's Indian forests, the new Minister of Forestry would be in a strong position to act as the principal representative, mediator and negotiator on behalf of native people in facilitating agreements with both provincial governments and with industry.

We must emphasize that community co-operation by native and non-native people alike is essential to develop confidence in the national forest strategy. There can no longer be the notion that what is good for the

forest industry is good for Canada's forests. — Harold Derickson, President, Intertribal Forestry Association of British Columbia (Issue 18:10).

We are advised that the present funding of silvicultural activity in native forests, mainly through the FRDAs, has been *grossly insufficient*. Prior to 1984, funding for Indian land programs was ad hoc and inconsistent. For the future, if real change and improvement is to be achieved in Indian forests, a national funding program will be required that, has long-term horizons and can be counted on for stability, year after year.

Our concern is that prior to the present FRDA 1 Agreement, just signed March 31 of this year, there has been no consistent funding for Indian lands programs in Canada, period. There has been ad hoc funding. Even the legislation in the Indian Act, section 57, is weak, outdated rhetoric. It does not mention any reference to stewardship or management, only harvesting. Even that is applied on an inconsistent basis across the provinces, and that is a federal responsibility.

The funding component is something that we, as Indian people, would like to see as a national funding program under a piece of legislation so that we have "x" number of dollars we know every year is going to be there. Then that process can go down to the various provinces. That is how the system works in the United States for federal Indian reserve lands. — Harold Derickson, President, Intertribal Forestry Association of British Columbia (Issue 18:18).

An integral aspect of Indian forestry must be in the educational field. A systematic program should embrace the full spectrum of forestry education, from extension work in the field through to public schools, technical institutes and professional training at the university level. The emphasis on stewardship for sustainable development of *all* forest values will be essential. Support for this educational program could also be channelled through new concepts of long-term FRDAs at the extension level, or through Provincial systems of education. There are already functioning institutes to serve as models, but the mechanism is far less important than *the adequacy and continuity of funding, and the full participation of the Indian communities.*

*... we would like to make the following recommendations to the committee:
... that the Government of Canada be prepared to make sufficient physical resources available to identify the scope of the problem, design a comprehensive solution, and fund the reconstructive process through to completion;*

... that aboriginal peoples, through the National Aboriginal Forestry Association, be a fundamental part of the process in developing the need for solutions to problems in forestry;

... that the programs developed throughout this process to confront issues in forestry on tribal land be administered by aboriginal people themselves, with the accountability for work undertaken to rest with the respective aboriginal governments. — Willie Wilson, Chairman, Indian Forestry Development Program (Issue 17:30-31).

Our Committee believes that the rationale for Indian forestry education is inescapable, and has long been neglected. For example, we understand that at the University of British Columbia, of 2,300 graduates in forestry at that faculty over 40 years, *only one has been a native Indian.*²⁴ Yet, given the already visible direction of future land claims settlements, our native people may soon rank among the largest land owners in all of Canada, and *they must be trained for those responsibilities.* Regardless of the form of that land entitlement, they will most certainly become an essential part of the public consultation process which determines how resources will be managed and enjoyed, and they will need technical and professional capabilities to play their full role.

For the majority of bands, their on-reserve forest resources are too limited to provide even small-scale sustained employment and financial returns through harvesting processing, and other spin-off benefits. Nonetheless, many are surrounded by productive forests. These forests are almost exclusively under the control of the provinces, many of which have demonstrated a willingness to support off-reserve Indian forestry initiatives. It will be necessary, therefore, for bands to be able to secure access to wood resources or woodlands work in the vicinity of their reserves in order to sustain a viable forestry business. — Mike Sims, Director General, Policy and Co-ordination, Economic Development Sector, Department of Indian Affairs and Northern Development (Issue 23:26).

The message about Indian forestry seems abundantly clear. Native forests require dramatically increased management attention. Forestry in all its aspects holds great potential for improvement of the native way of life in Canada. Coincidentally, the creation of the new Department of Forestry involves both a need and an opportunity to help establish a more direct federal operational focus in forestry affairs, which seems to be uniquely compatible with the requirements of Indian forest lands. In contemporary Canada in 1990, it would seem hard to find more pressing reasons for the use and management of federal forest lands than the challenge which exists *to manage Indian forests to their full*

potential. The combination of contemporary forest management technology and traditional aptitudes of native people for the forests, should offer encouraging new horizons for sustainable forestry development on Indian lands.

RECOMMENDATION NO. 6 — The Committee recommends that the new Department of Forestry be assigned responsibility for operational advisory services to native people for forestry management on all forested lands which fall directly or indirectly within the administration of the Department of Indian Affairs and Northern Development; such services would include strategic planning for integrated management and multiple use, silviculture, professional training and funding assistance, all in close consultation with native leaders.

Department of Environment

It will be obvious from the following comments and recommendations that our Committee has developed a perspective with respect to *Environment Departments as being vehicles of policy and regulation*, functioning much in the same manner as finance departments, and preferably *not as operating organizations*. We fully support the basic principle, as recommended by the Brundtland Commission, that *environmental policies and disciplines should permeate every operating entity and every operating decision*, exactly as do financial and economic considerations. As well, Environment Departments should be in a position to regulate and enforce their policies, which further precludes their function as operators. In the final analysis, we feel it is important to make the distinction that *operating agencies should conduct the operations*. This may seem like too fine a point, but we believe it is fundamental to our recommendations for the achievement of sustainable forestry development nationally in Canada.

Environmental Assessment and Review Process

As public concern for the environment deepens, it is clear that no sector can escape environmental assessment and regulation. There is perhaps no other sector in Canada that has a greater impact on the environment than the forests sector, for as we have noted earlier, in vast areas over Canada the words *forests* and *environment* are virtually synonymous. Therefore, it is of great concern to our Committee to ensure that Forestry Canada consistently be involved, *as a matter of course*, in federal *EARP* actions or panels which relate directly or indirectly to forestry.

The current federal initiatives on environment are causing us great concern. One of our principal concerns of course is the extent to which those regulations will be harmonized with provincial regulations and the extent to which the compliance and enforcement efforts might be duplicated. Again, there is an opportunity for Canada to contract out to the province that has the infrastructure in place the compliance and enforcement of those regulations. We are telling Environment Canada and the Ministry of Environment in Ontario that our real challenge is to direct the available energies and resources toward the real problems and avoid wasting those resources on perceived problems. We see a grave risk that regulatory initiatives may be driven by detection limits, detection capability, rather than by environmental need, so we look forward again to effective consultation between the governments to arrive at the kind of regulations that will provide adequate environmental protection, and that are achievable and affordable.— I.D. Bird, President, Ontario Forest Industries Association (Issue 23:8).

It should go without saying that, in reality, *the concept of sustainable forestry development is itself an environmental assessment process, in advance*. Presumably in any EARP circumstance, *evidence of sustainability will be a pre-requisite*. Thus, theoretically at least, if the main mission to establish sustainable forestry development as a practice in Canada is achieved, then it will tend to facilitate the conduct of environmental assessment activities in forestry. To put it another way, if the concept of sustainable forestry development is soundly established, then the environmental assessment process will eventually be approached more positively and effectively from the start. While these comments are made somewhat cautiously, nevertheless the principles involved are important to note and understand, because they do obviate the essential participation of Forestry Canada in the federal EARP process.

We certainly find in the field of environmental assessment that if we are asked to make recommendations about what sorts of activities are appropriate or how such activities should be designed, it helps enormously if there is a plan in place that identifies what the objectives are for that area — what the important uses are perceived as being. But the federal government itself really cannot take the lead in imposing those uses. It can only really be sensitive to the uses that are identified by the principal land manager — that is, the province — and then of course the processes the federal government imposes on itself and on its own actions can then build that back into its own decision.

So I guess there is a sense in which we are the potential beneficiaries from a system such as you have identified and which B.C. is attempting to advance.

— Raymond R. Robinson, Executive Chairman, Federal Environmental Assessment Review Office (Issue 25:35).

There are, too, some very serious practical concerns which EARP Panels pose for forestry in Canada. It is conceivable that such procedures could actually shut down or have dramatic impact upon major segments of the forest economy, and so forestry expertise in EARP hearings is essential. For example, the Class Environmental Assessment Hearings for Timber Management on Crown lands in Ontario are even now preparing to prescribe forestry practices in that region of the country, and the provincial Department of Natural Resources is actually the proponent in that inquiry. In the case of federal EARP Panels, convened by the Minister of Environment, it is similarly critical *that mandatory and meaningful participation by federal forestry authorities be assured* as decisions are reached. Otherwise, there is the prospect that *environmental agencies could be setting specifications for forest management in Canada, instead of their forestry counterparts* who actually hold such responsibilities. The concern is that EARP Panels will specify *actions*, rather than

forest management, and the process will not design for management — it will just happen! That would be an irony which neither our forest economy nor our forest environment could afford, and it is not the best path to sustainable forestry development in Canada.

The last area I wanted to flag particularly is the whole area of environmental regulatory reviews and reforms and updates. For the forest products industry, partly because of its size and partly because of its nature, environmental review and reform are absolutely critical to its long-term competitiveness. One of the critical issues we are having to deal with, though, is to ensure that in implementing more stringent regulations and in demanding cleaner environmental standards we do so in such a way that we do not fundamentally inhibit the competitiveness of a critical industry in the country, because in the long term that would simply not be in our best interest, and that we try to do it in a way that maximizes the opportunity, technological as well as industrial developmental, of the introduction of new regulations. There are going to be, we believe, many, many, many opportunities of a commercial nature arising from the introduction of much stronger environmental regulations in the next few years, both in Canada and around the world. — J.C. Mackay, Assistant Deputy Minister, Industry and Technology, Department of Industry, Science and Technology (Issue 19:36).

The Committee feels strongly that, at both federal and provincial levels, forestry departments should participate automatically with environment authorities in matters of assessment, review and regulation pertaining to forests and forestry. Not only can Forestry Canada play a significant role with respect to such federal EARP procedures where forestry is involved, but it should also serve as a valuable facilitator to help co-ordinate federal and provincial participation in environmental assessment reviews as they become more pervasive in the forest sector.

In Forestry Canada we were doing environmental impact assessments of our initiatives before it was a mandatory requirement. As the Minister has said, our agreements are probably the biggest environmental rehabilitation program in the nation's history. We think our program is environmentally sound, but we can make available the assessments reports that have been done, or at least a summary of them, so that if you have any further questions, we can answer them. — Jag S. Maini, Assistant Deputy Minister, Policy, Department of Forestry (Issue 14:25).

RECOMMENDATION NO. 7 — The Committee recommends that, with respect to the federal Environmental Assessment Review Process (EARP) related to forest resources or to industrial forestry development, the new Department of Forestry be assigned statutory responsibilities for developing policies and procedures to ensure consistent application of the concept of sustainable forestry development in EARP hearings and decisions, including the formal appearance of Forestry Canada scientific personnel as expert witnesses where appropriate in such hearings.

Department of Environment (Canadian Wildlife Service)

Time after time during our hearings, witnesses emphasized wildlife as a model for the general non-timber values among our forest resources that must be managed with the same diligence as the trees.

We not only like to think in terms of integrating wildlife with timber practices; we also like the idea of considering wildlife in the context of the landscape as a whole. We are trying to get away from the idea of little islands of protected nature and more to the idea of stewardship of the entire Canadian landscape, and in particular, of course, forests.

...the omission of wildlife as a factor in this sort of thing is not consistent with the National Forest Sector Strategy. We would rather focus on the forests and the trees, and not just on the wood. — Robert Carswell, Chairman, Wildlife Habitat Canada (Issue 21:4-5).

Indeed, it has been pointed out that the legislation to create the new Department of Forestry does not include the 1988 recommendations of the Standing Committee on Environment and Forestry, which urged that new federal-provincial forestry agreements reflect the integration of wildlife and forestry objectives, and which urged the provision of funding for forest management practices that ensure sustainable development. It was noted that in his testimony before the Committee, the new Minister of Forestry *did not make explicit reference to wildlife nor to the retention of forest habitat for wildlife*, in the principles which he set out for future federal-provincial forestry agreements.

In the opinion of the Committee, it is unthinkable that any new mandate for Forestry Canada could have credibility without the inclusion of wildlife considerations in a major way. Not only is wildlife essential to provide the multiple-use dimension to federal involvement in forestry, but in the view of many, there is *a pressing need for expanded horizons of wildlife management in Canada*, including new science and technology on this subject. After all, wildlife is a renewable, harvestable natural resource, as are trees, and similar management principles should pertain.

I also believe that the federal Department of Forestry ought to be contributing to regional wildlife research centres. One of the major problems with respect to wildlife is that we do not have the science to properly manage that resource. I believe the science ought to be developed hand in hand with forestry research, so that we can integrate the two.

— Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:12).

It appears to us that Forestry Canada would be by far the most effective instrument to bring federal influence about *all* forest values to a national strategy for sustainable development. It would certainly be the best organization through which to revitalize serious initiatives for *comprehensive wildlife management*, as for all other integrated forest values. It is true that federal-provincial forestry agreements are at present the primary vehicle through which the federal government can influence the management, development and conservation of Canada's forest resources, and yet these agreements have focused almost exclusively on exploiting forest resources for timber and fibre. The ecological, wildlife, recreational and aesthetic values of forests have largely been ignored in these programs.

Bill C-29 is no different in its commodity, production-oriented approach, an approach that has guided national forest policy over the last several decades. Indeed, it is an approach no longer acceptable to an increasing number of Canadians. — Johannah Bernstein, Corporate Counsel, Canadian Wildlife Federation (Issue 21:20).

According to 1990-91 Environment Canada Estimates, wildlife conservation activities are currently provided with budgets of \$49.7 million and 369 person-years. The Canadian Wildlife Service has been reduced in scope over recent years, and is primarily involved with wildlife conservation, mainly through the protection of migratory birds and of threatened and endangered species. Certainly, there is both need and potential to revitalize and expand CWS terms of reference.

On all counts, therefore, it seems clear that if forestry values are ever to be integrated for management in the forests, they must first be integrated federally and *there is no better place to start than with wildlife!*

RECOMMENDATION NO. 8 — The Committee recommends that the Canadian Wildlife Service be transferred from Environment Canada to Forestry Canada, and that it be restored fully as a comprehensive management and research agency with broad application to all Canadian wildlife, both game and non-game species, working in co-operation with provincial government agencies wherever possible in a context of integrated forest management.

Department of Environment (Canadian Parks Service)

While it is true that *the forests to be found in Canada's national parks should continue to be excluded from timber harvesting* and retained in their natural state, nevertheless *these parks represent a unique opportunity to demonstrate integrated management of other general forest values*. In fact, our parks could be characterized as living laboratories for advancing many aspects of resource management towards sustainable development, notably recreational pursuits, wildlife conservation, preservation of ecological diversity and protection of the forests against fire, insects and disease.

If we are to achieve a sustained supply of socio-economic benefits from our forests — timber, recreation, wilderness, wildlife, biodiversity and so on — then we must manage *the whole habitat*, the environment that provides those benefits, *the forest environment*. We must understand and acknowledge that *the forest does have the capacity to provide such a full range of values*, and that it should be *actively managed* to generate those values.

... It would have been desirable to have a federal department with a much broader management mandate, a mandate that would have incorporated things like wildlife and parks so that we could reflect the concept of multiple-use management at the federal level. We would then have had an agency with an operational management responsibility. This in itself would have given the agency an enormous amount of credibility and stature.

—J.R. Carrow, Dean of Forestry, University of Toronto (Issue 1:43-44).

In total, in the current year, the Parks Service in Environment Canada is allocated \$387 million and 4,692 person-years for all of its operations. More important than these budget numbers to the Committee, however, is that the inclusion of the Canadian Parks Service, (and of the Canadian Wildlife Service), within Forestry Canada would help to make the new department a truly integrated forest resource management service at the federal level. It would then be organized for and capable of *the practice of comprehensive multiple-use forest management*, which is a capacity that does not presently exist within the federal government.

While there may always seem a risk in integrated forest management *that timber interests will influence or contaminate environmental priorities*, in reality there may even be a better opportunity and *potential for wildlife and parks disciplines to prevail beneficially upon timber practices*, once integrated management is in place.

In the Memorandum of Understanding signed in February 1990 between the Departments of Environment and Forestry concerning the Parks Service, it was agreed that, *subject to governing Parks Service policy*, Forestry Canada projects would be facilitated

where the use of national park lands was required; conversely, *subject to its available resources*, Forestry Canada would provide advice and assistance concerning forest lands, to the Parks Service, when requested to do so.

It is a difficult question, because Canada has a reputation internationally for the management of the national parks, and forests are a part of that; yet it is not regarded as forest management as such.

As you can see from the Memorandum of Understanding, we are working on various aspects of research and getting a better understanding of forest succession, diseases, the impact of things like acid rain. We are becoming more active in volunteering the parks as settings for research to have a better understanding of what evolves in a natural situation as compared to a managed situation. I think it would be fair to say that there have not been the resources that perhaps some would have liked, to go farther into some of the research than we have. It is always frustrating to find out that there are things we really perhaps should have known and did not, and I think that is the case in forestry, as it is in wildlife and other subject areas.

— Jim Collinson, Assistant Deputy Minister, Canadian Parks Service, Department of Environment (Issue 25:38).

In the Committee's view, this exchange of intent in the MOU, while laudable for its spirit of co-operation, hardly represents an integrated management focus on the 108,000 square kilometres of forested land to be found in Canada's 34 existing national parks. Nor does it seem to take logical advantage of the scientific and operational capabilities which are proposed for Forestry Canada. In the course of developing parks to represent the remaining 18 natural ecological regions of the country, almost half of them in the north, which are specific goals in the master plan of the Canadian Parks Service, the proposed capabilities of the new Department of Forestry would seem to be uniquely well suited.

It is important to recognize that the Canadian Parks Service is responsible for managing these areas as being representative of the different ecological systems in Canada. We are not managing them as forest areas or for wildlife species, but from the point of view of the overall interaction of the ecological system.

To come back to the main point, we are not managing the forested areas in national parks in the sense that most people would normally think of in a forest management sense. We are managing the trees as part of an overall broader ecological system and the interaction of the trees with the fauna, flora and so on. Even dead trees represent habitat in that respect.

This is why in the case of the Canadian Parks System we are looking at protecting a representative portion of each of the main ecological systems in the country. That is not to say that there should be a fence put around them and everybody kept out, but rather here is a chance for people to see what an undeveloped area is like, how natural systems interact with each other, and to use that as a basis for monitoring change elsewhere; find out the impact of different things to understand them better; and also to protect this gene pool for things we have yet to discover. — Jim Collinson, Assistant Deputy Minister, Canadian Parks Service, Department of Environment (Issue 25:25 and 33).

Notwithstanding such distinctions, it seems clear to the Committee that Forestry Canada would strengthen the Canadian Parks Service, and the reverse is also true. Historically, we are told, they were together, and separation of federal parks from federal forests was an accident of juggling mandates in the late 60's and early 70's, and not a strategy born of any basic principles or philosophy. Logically it seems, if the federal government is genuinely serious about integrated resource management of forests, then the obvious course would be *to place the responsibilities for all forest-related resources in one portfolio*. To separate forest management from parks, or from the wildlife habitat or from other features of those lands, appears to defy rational judgement. *In terms of both policy and administration, the conservation, wise use and enjoyment of all forest resources belong together.*

To achieve sustainable development of forests, we feel attention has to be paid to four major areas. One is the establishment of a national network of parks and protected areas across Canada. To be truly sustainable, the ultimate objective of forest management should be to maximize biodiversity. To preserve the diversity and integrity of a full range of natural forest ecosystems, sufficiently large tracts of land representing all forest types found in Canada must be set aside for non-extractive uses or even for non-use.

It has been suggested that countries strive to set aside 12% of their area as parks and protected areas. More important than protecting a pre-determined percentage of terrain is the need to ensure that all types of forest ecosystems are represented, and it is equally vital to make sure that each preserved segment is large enough to function indefinitely as a viable forest ecosystem. — Paul Griss, Executive Director, Canadian Nature Federation (Issue 19:10).

Comparatively, other major jurisdictions such as Nova Scotia, Ontario, Manitoba and Yukon, tend to place forests, parks, wildlife and lands in the same department. As we have previously advanced, *critical mass* argues for a department of sufficient strength and stature

to deal both in Ottawa and with the provinces on a basis of consistency and credibility. The forests of Canada *deserve* that kind of comprehensive and concentrated attention; sustainable development *demand*s it.

RECOMMENDATION NO. 9 — The Committee recommends that the operations of the Canadian Parks Service be transferred from Environment Canada and placed within the new Department of Forestry, to provide optimum scope for the practice of integrated management of federal forest-based resources, in pursuit of the national mission for sustainable forestry development.

(It should be said that this recommendation is intended to focus on *the forest resources* of the Canadian Parks Service, which represent the overwhelming area of that agency's activities. However, it is recognized that certain specific elements of Parks Service operations might better be contained in other federal departments, if it is deemed feasible to segment them. For example, *marine parks* such as the new Saguenay-St. Lawrence project could possibly be reassigned to the Department of Fisheries and Oceans, and *monuments and national historic sites* to the Department of Public Works. Failing such changes, however, the present parks organization could continue to be operated efficiently and effectively within the new Department of Forestry).

Department of Energy, Mines and Resources

The application of technology, such as geographic information systems, is so fundamental to the practice of modern forestry that it would be inconceivable for a new Department of Forestry not to possess such capabilities. Indeed, before its previous demise, the Department of Forestry operated the Forest Management Institute (FMI) which had most of the same expertise and equipment now to be found in the Canadian Centre for Remote Sensing (CCRS). (In fact, the present director of CCRS is the former director of FMI).

Given the current state of these technologies, it is appropriate that CCRS remain in its present location with close links to aerospace and physics. What we feel is needed, however, and presume would be welcomed by CCRS, is *a strengthened forests data applications unit within Forestry Canada* that could *access and use* the full potential of the technologies being developed at CCRS. To add weight to this proposal, there has been one strong recommendation throughout our hearings that prevailed consistently above all others: It was a virtually unanimous demand for *a national forests database* as an urgent priority to be forthcoming from Forestry Canada.

As I said earlier, I have no doubt that major new systems will play a role. I do not want to speak out of school here, but we are going to be making major investments in the development of new remote-sensing technology. Some of these new systems will be exceedingly costly and it would not make sense, for instance, for each province to maintain its own. So this is an area where the federal government can collect data on a global basis and then share it in accordance with the needs of the provinces on a fee-per-service basis. This is one area where we are very adamant, and some of the funds that are allocated to the resource development agreements will be used for that purpose. — Honourable Frank Oberle, Federal Minister of Forestry (Issue 2:17).

I regret to say it, but a lot of data are missing. The data base has to be improved. With all the technology around today, the satellites and so on, there is no reason why we cannot have a concise, clear, meaningful and complete picture of the forests of Canada and the state they are in. — J.A. Bérard, President, Forest Engineering Research Institute of Canada (Issue 6:27-28).

Such comments really say it all. Over and over again, witnesses emphasized the need for factual knowledge and information as the basis for planning the goals of sustainable forestry development, and for keeping pace with the changing dynamics of the forests as we seek to ensure that those goals *will be sustainable*.

One of the fundamental problems in knowing what we have in terms of old-growth, is that while a phenomenal amount of effort has been put into inventory since forestry became recognized in its major position in Canada, a lot of the inventory has been focused upon merchantable factors, and in general many of the characteristics by which old-growth is biologically defined, and by which it ought to be classified and inventoried, have not been part of the database. Everywhere in North America, where inventories of old-growth have been attempted, they run into the problems that many of the key characters are just not there. — Ken Lertzman, Associate Professor, Natural Resources Management Program, Simon Fraser University (Environment Issue 33:46).

There can be no doubt that Forestry Canada must be self-sufficient *in the application of remote sensing technology*, and must also ensure that Canada remains in the vanguard of *forest inventory management*.

Most of the mapping that is done is now digital mapping and is based on technology and information that is gained from various space-based systems, such as the SARSAT [Synthetic Aperture Radar] satellite and so on. Updated systems are still in the development state. There is the so-called MEIS [a multi-optical electro imaging scanning]...

We are negotiating...to develop a forestry application for this system. It is a high-altitude aircraft, multi-spectral imaging system that can be used for forestry. Once fully developed, it can give you even growth and yield information and certainly very clear information on the species mix of any specific site.

Naturally, it would be much too expensive for any one province to develop such a system and to put it in place. When I speak of the delivery of a stronger federal commitment to forestry outside the agreements, this is one area where we intend to play a large role. — Honourable Frank Oberle, Federal Minister of Forestry (Issue 12:19).

RECOMMENDATION NO. 10 — The Committee recommends that the new Department of Forestry be provided directly with facilities and capabilities for mapping, geographic information systems and all other such database and inventory technology pertaining to forests, and that such a forests data applications unit be linked directly to the Canadian Centre for Remote Sensing in the Department of Energy, Mines and Resources.

Department of Industry, Science and Technology

If effective leadership in forestry is to come from the federal government, then our Committee believes *it would not be appropriate to maintain a separation between management of the forest resources and industrial exploitation of them*. For exactly the same reasons that we have recommended consolidation of forest resource activities, we also strongly recommend the integration of federal-industry relationships within the new Department of Forestry.

With reference to industrial development, we are surprised that the federal government has not made Forestry Canada responsible for promoting the development of the forest industry... We suggest that the government give serious consideration to transferring to Forestry Canada the officials of the Department of Industry, Science and Technology involved with the forestry sector. It would be a much more appropriate context for the industry and for the country. — André Duchesne, Director General, Quebec Forest Industries Association (Issue 16:11).

At present, the Forest Products Directorate resides within the Department of Industry, Science and Technology, and is primarily responsible for federal government relationships with the forest industry. Comprising approximately 24 people in Ottawa and another 14 persons in offices across Canada, and with an operating budget in 1989 of about \$750,000, plus a grants and contributions allocation of \$3.5 million, the directorate conducts a number of marketing efforts with industry, including sales missions and technical representations around the world. It also carries out lobbying efforts for industry in government circles, particularly in the area of new environmental regulations. A lot of work is also done on industrial intelligence and competitive cost comparisons with other countries. In general, the directorate ensures that the forestry perspective is brought to bear *inside government*, and works closely with other key federal players, particularly the Departments of External Affairs on the marketing and trade side, and Environment on the regulatory side, as well as with Forestry Canada. In those particular contexts, it also has an involvement with provincial governments.

The North American light industrial construction market is worth more than \$95 billion annually... However, wood has only about 7% of its potential in this huge market...

... On a broader scale, we must ensure that Canadian wood products receive fair treatment under the increasingly demanding regulations that govern building construction in both domestic and international markets. Of course, I am referring here to codes and standards for building construction.

Access to markets requires strong leadership, funding, and a technology and innovation culture. It is an issue that requires education for future designers, architects, developers and contractors. It is an issue that requires public understanding that the use of wood for shelter makes an important contribution to sustainable development. This is a national issue where the Government of Canada can take a leadership role with the provinces and industry. — A.K. French, President and Chief Executive Officer, Forintek Canada Corporation (Issue 15:28–29).

The process of consultation with industry is achieved through a wide range of organizations, including the Forest Sector Advisory Council (FSAC) which involves a mix of industry, union and academic forestry people, and also a parallel governmental advisory structure called the Forest Industries Development Committee (FIDC). In addition, there is a spectrum of industry groups such as the Canadian Pulp and Paper Association and the Council of Forest Industries of British Columbia. As well, the Forests Products Directorate deals with various research establishments, governmental ones such as the National Research Council (NRC), partly private corporations such as Forintek or entirely private institutes like Paprican. Regular contacts are also maintained with certain international organizations.

If the mission of Forestry Canada is to be leadership towards the achievement of sustainable forestry development in Canada, then the new department must surely be established as *the nucleus* for all of the major players in forestry — industry, environmentalists, professional foresters, the provinces and the federal government itself — to serve as both facilitator and mediator in the process of rationalizing and reconciling the common interests of all stakeholders in the forests of Canada. To accomplish this, *it must have federal responsibilities for both forest resources and the forest sector.*

Finally, we were asked about the role of the federal Department of Forestry. It should be considered as the facilitating department for the strategy items we have already discussed. Those items involve a lot of different departments, and if the forestry department were recognized as the facilitator between the industry and the federal government, so that one does not have to deal with ten departments and a number of corporate bodies, the department would find a constructive role for itself — one which, politics aside, should be attractive to the other departments.

From the point of view of the industry, if we had only one department to deal with, we would like that better than not being sure which department to deal with, as is often the case. — Adam Zimmerman, Chairman and Chief Executive Officer, Noranda Forests Inc. (Issue 24:7–8).

The Forests Products Directorate in the Department of Industry, Science and Technology is an obvious anomaly and should be pursuing the same objectives as the Department of Forestry by being part of it.
— William Fullerton, President, Canadian Forestry Association
(Issue 5:28).

Given those kinds of comments from industry, given also the importance of the work of the Forest Products Directorate to forestry in Canada, and given lastly the thrust for a comprehensive mandate for Forestry Canada, it is the view of the Committee that the directorate should become an integral component of the new Department of Forestry.

RECOMMENDATION NO. 11 — The Committee recommends that the Forest Products Directorate be transferred from the Department of Industry, Science and Technology to the new Department of Forestry, including lead responsibilities for consultation with the forest industry.

Department of External Affairs and International Trade

There seems to be great potential for the new Department of Forestry to beneficially influence international forestry policy. In fact, the Department of Forestry already has a small International Forestry Division with activities devoted largely to the traditional exchange of scientific research. It now appears that the new department will focus and broaden its efforts to take into account the whole spectrum of the forest sector, and to develop its own international affairs strategy. It is hoped this will result in Forestry Canada specialists being posted as forestry attachés at major embassies and consulates around the world.

Moving on to the role we see for Forestry Canada, first we have mentioned competitiveness in the global marketplace, and I think you should know that the industry's ability to compete in this marketplace is highly dependent on its ability to anticipate and accommodate change. We feel Forestry Canada should be a key player in the international economic dialogue, tracking the various developments that may affect our competitiveness. The current matters we see them involved in are things like the softwood lumber issue and the plywood standards issue, and of course the shakes and shingles issue. We see that effective liaison between industry and government as essential to the industry maintaining its competitiveness.

— I.D. Bird, President, Ontario Forest Industries Association
(Issue 23:6-7).

We have been told that the Department of External Affairs and International Trade identifies market opportunities for Canadian exports, relays market intelligence to Canadian industry, promotes Canadian products abroad, and provides direct assistance to individual Canadian companies seeking to find and expand export markets. This support is provided through the efforts of international trade centres which are located in each province, by geographic and sectoral specialist groups at International Trade in Ottawa and, most importantly, by the Trade Commissioners at Canadian embassies and consulates abroad.

For the fiscal year 1989-90, External Affairs and International Trade had a total of 21 person-years outside Canada, and about the same in Canada, devoted to the promotion and export of forest products. The department estimates that the cost of maintaining this level of staffing abroad is approximately \$250,000 per person during the first year and \$175,000 each year thereafter. Expenditures for the forest products sector under the Program for Export Market Development (PEMD) were \$1.37 million for the past fiscal year.

In terms of trade policy, there is an Industry Trade Advisory Committee that has representation from the forest industry. More specifically, there is a Sectoral Advisory Group on International Trade (SAGIT), for the forest products area alone. It has broad representation by industry from all parts of the country, by the differing sectors within that industry, as well as from labour, management and academic communities. The purpose of this body is to ensure that the development of the negotiating position is very closely tuned to the realities and prospects which industry sees in foreign markets. Forestry Canada does play an important role in SAGIT deliberations, and we are told that industry leaders consider this process to be a very effective way for input to government positions.

I believe it is incumbent on the Ministry of Forestry to develop its own catalogue of interests abroad. This presumably would span a great range, from particular policy problems through to, perhaps, development assistance opportunities, marketing, and many other interests in between. In particular, Canada will need to demonstrate clearly to the world in the coming years that Canadian forests are being responsibly managed on a sustainable basis in order to combat effectively any proposals abroad to place restrictions on Canadian exports for environmental reasons, i.e. "Green Protectionism". — Robert Burchill, Director General, Agri-Food, Fish and Resource Products Bureau, Department of External Affairs and International Trade (Issue 22:50 and correspondence to the Committee May 30, 1990, p. 3).

Because of the unique expertise to be found in External Affairs and International Trade, the Committee feels that the relationship between Forestry Canada and that department should be one of very close collaboration. There is an important need for a direct emphasis by Forestry Canada based on knowledge of the forest resources sector, but it must be blended with the skills and experience of international marketers.

If we are going to ensure that the forestry sector is well represented in terms of opportunity abroad, from an access point of view, from a trade development point of view, I think we need a Department of Forestry with an in-depth knowledge across the board about the requirements and the needs of that sector. In that sense, I think we can both bring certain comparative advantages to bear abroad in the representations of the interests of that sector. If it is going to work successfully, it should not be a competitive, but a complementary performance by both departments. — Howard Wilson, Director General, Trade Policy Bureau, Department of External Affairs and International Trade (Issue 22:51).

There is also support in Canada's forest industry for the involvement of Forestry Canada in the international arena.

I really believe those facets of international commerce that deal with forestry should be concentrated in this new department. — Cecil Flenniken, Chairman and Chief Executive Officer, Canadian Pacific Forest Products Limited (Issue 24:28).

RECOMMENDATION NO. 12 — The Committee recommends that the scope of responsibilities for the Department of Forestry be expanded to include international forestry considerations such as competitiveness, technology and environmental regulations, through assignment of its own forestry attachés at key strategic locations throughout the world, and through intensified participation in international forest trade efforts with the Department of External Affairs and International Trade, including direct support to forestry projects of the Canadian International Development Agency (CIDA) and of the International Development Research Centre (IDRC).

Other Federal Departments

In addition to those specifically mentioned in this Report, there are well over a dozen other departments and agencies of the federal government which impact directly or indirectly on Forestry. For example, Finance, Revenue, and Agriculture all have important forestry interests, to name only a few.

Most important are Finance and National Revenue. Federal *revenues* from forestry exceed \$2.3 billion each year, while federal *expenditures* are less than \$0.5 billion annually. That ratio is five to one, and underlines the strongest of all reasons for federal investment in Canada's forests.

On forest taxation, on forest credit issues pertaining to private woodlot ownership, it is important that the Department of Forestry will provide federal leadership in establishing interdepartmental committees that will join the Department of Revenue, the Department of Agriculture ...

— Victor Brunette, Director, Fédération des producteurs de bois du Québec (Issue 8:11).

In each of these areas, it is essential that the Department of Forestry adopt measures to ensure close communications with all federal offices involved in forestry. The more tightly this process can be formalized, the better.

One example which we are told worked well in the past, the former *Federal Forest Sector Strategy Committee (FFSSC)*, functioned in the early 80s as the principal inter-departmental committee for forestry at the federal level. It was deemed an essential instrument to the Assistant Deputy Minister at that time in advancing the cause for forestry throughout the Ottawa bureaucracy. While that committee primarily involved officials at the middle management level, senior bureaucrats were also readily available to attend when called upon, and the FFSSC became a vital element in the forestry network in Ottawa. We urge Forestry Canada to revive this committee, or some appropriate successor.

Another agency which attracted the keen interest of the Committee, in this case a federal-provincial one, is the Canadian Interagency Forest Fire Centre based in Winnipeg. As described briefly in Chapter One, this organization is a unique example of intergovernmental collaboration for a specific purpose, and it offers an interesting concept which could undoubtedly be developed to serve a broad range of co-operative activities.

In summary then, as all of the foregoing recommendations will indicate, our Committee is convinced that *the mandate* for the new Department of Forestry *must first of all be endowed with strength and stature in Ottawa.*

Unless the mandate begins at home, there is little or no prospect that it will ever gain in confidence or credibility anywhere!

RECOMMENDATION NO. 13 — The Committee recommends that in all less specific federal government activities related to forest resources (such as taxation policies, pesticide regulations, regional development programs and public forums on the environment) consultative relationships with Forestry Canada should be formally mandated through Memoranda of Understanding and inter-departmental committees.

2C. SCIENTIFIC RESEARCH: A TRADITION

Throughout this Report, we strive to make the case for *a stronger and broader mandate for Forestry Canada*, to provide it with leadership potential in its mission towards sustainable forestry development. However, perhaps ironically, the *most traditional* of all Forestry Canada roles — *research* — is the one that might benefit most from a wider focus.

By far the most consistently recognized contribution of the federal government to forestry over the past century has been in the area of *research and development*. As well, today, there is unanimity that research in areas of forest science and technology should remain a key role for the new Department of Forestry, in addition to the expansion of its mandate into areas of operational forest management, forest industry development, environmental planning and so on.

In the ninety years since its creation in 1899, the Canadian Forestry Service has become a highly sophisticated forestry research institution, with specialized researchers spread out across Canada through six regional forestry centres, two national research institutes and seven regional sub-offices. It has held the leading role in Canada in forest research and development, often in concert with other players including the forest industry, and it has developed a reputation which is truly world class.

The Canadian Forest Service has not only confined its contributions to the natural forest, but has also had significant impact over the years on specific situations in *urban forestry*. As one notable example, it was the CFS that helped the *City of Fredericton* to initiate and conduct its successful fight against the *Dutch Elm disease* over the past half-century. That “*city of stately elms*” has managed to prolong the life of a large number of these trees despite the deadly disease, as the result of treatments designed by the CFS to contain and retard its adverse effects. Meanwhile, the city has been able to carry out an orderly replanting of other shade trees to replace its famous elms before they are lost.

Forestry Canada in its mandate for future research directions should be undertaking scientific studies that will provide the information for the forest managers as to the environmental impacts of integration of forest management activities relative to wildlife and fisheries. Such studies could be undertaken solely by Forestry Canada or in conjunction with provincial authorities in industry. It is important that these results of future multiple-use studies and research be communicated to the appropriate forest managers quickly, in order that regional, provincial, and federal strategies toward assisting development may be reviewed and, if required, amended accordingly.

Forestry Canada is recognized as a credible scientific authority, both nationally and internationally. In order to further build on the expertise that is now in place, it is imperative that adequate financial resources be made available to enable Forestry Canada to achieve its mandate.
 — Roger A. Ashby, President, Domtar Pulp and Paper Products (Issue 25:7).

As its size and scale have been diminished over recent decades, Forestry Canada has been obliged to divest itself of research capabilities in certain areas. Fortunately, some of these have been captured and maintained in other ways. For example, Forintek was incorporated in 1979 as a non-profit private corporation to assume the research role in wood products that was previously performed by CFS laboratories in Vancouver and Ottawa. Unfortunately, CFS Institutes in forest management and fire disciplines did not fare so well, and much of their expertise has been lost.

The Forest Engineering Research Institute of Canada (Feric), which currently concentrates much of its work on forest harvesting, is another very skilled and effective organization. It was formed in 1975 as a partnership between the Government of Canada and the forest industry.

Another research model, the Pulp and Paper Research Institute of Canada (Paprican), is the leading research group in the pulp and paper sector. The federal government supplied original buildings and facilities, but does not now pay any operating costs or bear any management responsibilities.

It is our purpose to comment on the need for a strong commitment by the federal government to technology and innovation in the solid wood products sector of the forest industry. First, we support the decision of the federal government to form the new Department of Forestry. The new department is required, in our view, to provide the focus and strength to create a consensus for a strong national strategy for forestry in Canada. In our view, this focus must also include consideration of technology and innovation in the sector for the very important area of international marketing. — A.K. French, President and Chief Executive Officer, Forintek Canada Corporation (Issue 15:23).

For all its past and present accomplishments, however, and its international stature, we have been told that *Forestry Canada is not keeping pace in terms of research and development capacity*, considering the changes in application of technology in forest management, the globalization of the world economy, and Canada's leading place as a forest nation. There are pressing requirements for innovation in science and technology, so that our country will

continually be able to adapt to the new trends and challenges in an ever more competitive market. Even more important, is that we be able to do so in a manner that will ensure success of *the mission* towards sustainable forestry development.

As many of you know, our performance with respect to forestry research is rather abysmal. We are right at the bottom of the G7 countries in terms of effort and investment in forestry research. — J.R. Carrow, Dean of Forestry, University of Toronto (Issue 1:27–28).

Despite the intensive involvement of Forestry Canada in research and development over the years, and its reputation for high quality in that regard, it is a fact that Canada has great room for improvement compared to other countries, particularly in *competitive usable research*. One typical measure of comparison is the index of gross expenditures on research and development (GERD) as a percentage of the gross domestic product (GDP), and Canada's rating at 1.4% does not show well by comparison to that of the United States at 2.7% and of Japan at 2.9%.²⁵

In 1985, to cite another measure, Canada was spending approximately 0.85 percent of total forest products sales on forest research. A comparative figure for Sweden was 1.75 percent.²⁶ Both Sweden and Finland, which are important forestry competitors of Canada on international markets, are spending almost twice as much as Canada on research, and even smaller countries like Switzerland and the Netherlands spend proportionately more on forest research than does Canada.²⁷ The Scandinavians have been especially successful in *applied research*, and for example, have virtually captured world market leadership in the design and production of wood processing equipment.

One characteristic of past research efforts must become even more an essential component of future practices, that being *to establish more effective linkages of co-ordination and collaboration with allied research facilities*, including Paprican, Forintek, Feric, the Natural Sciences and Engineering Research Council of Canada (NSERC), provincial forest services, the universities and industry. It has been recognized that *a structural difficulty does exist in the integration of our national forestry research programs and the implementation of their findings*. We have been told that adequate working relationships needed between industry, federal and provincial researchers and officials to serve such purposes of integration and implementation, *do not exist today!*

In summary, the close liaison which has existed between Paprican and Forestry Canada... has resulted in the elimination of duplicative research on the pulp and paper side. It has so far failed, however, to provide the vital link to integrate the R and D in pulp and paper and the R and D needs of the forest products sector, into the R and D forestry programs of the government

labs. A start has been made to deal with this situation, but much still remains to be done before it is an effective working arrangement. A clear statement of mandate to this end, in the enabling legislation for Forestry Canada, is strongly recommended. — Peter E. Wrist, President and Chief Executive Officer, Paprican (Issue 6:9).

... I personally, and I think the fire management in this country, feel strongly that the role of Forestry Canada, particularly as it relates to fire management, has been downgraded and degraded to a point that it hardly exists anymore in Canada from what it did at one time as an institute under the Canadian Forestry Service, and we would like to see new emphasis placed on fire management and fire management research in this country. I think there is a real great need and a real great role that Forestry Canada can play in that particular phase of management of our forest resource.

... There is no doubt that the past role and the future role of Forestry Canada must be fact-finding research.

This research must have an application to forest management, and fire management operations in particular. — Allan Jeffrey, Director, Canadian Interagency Forest Fire Centre (Issue 10:32).

The urgency of improving Canada's forest fire management capability is underscored by the fact that, *on an area basis averaged during the 1980's, there is twice as much land burned each year as is logged.* The fact that Canada loses almost 2 million hectares of forest land of all types annually to fire is also a sobering realization in terms of global warming and our country's *net contribution to the carbon dioxide content in the atmosphere.*

Many witnesses agree that Forestry Canada should act not only as a creator of research, but also as co-ordinator and facilitator of a co-operative research and development effort among all of the major players in the forest sector. Clearly, the way to manage scarce research dollars is *to create a cohesive research network*, and to make sure there is clear understanding and co-operation among all the forces at work. In both our economic and our environmental pursuits, *technology and innovation will be essential to provide a competitive edge*, and Canada must rise to this challenge through a co-ordinated national research effort.

... what is the sense in your doing research in accordance with your priorities if they cannot be co-ordinated with the priorities of the owners of the resource or the provinces? There has to be a better relationship than what exists now. — Honourable Frank Oberle, Federal Minister of Forestry (Issue 13:14).

In terms of research directions, *the agenda appears to be endless, but that agenda is not always well prioritized*. Several key witness cautioned that some areas of research are more important for Forestry Canada than others, and for example, *growth and yield research* was identified as being one of the highest priorities.

I would suggest there are some things that would best be done by the federal government. The fundamentals of growth and yield study, theoretical developments and the development of long term experimental plots, are something that require an agency of considerable stability over a very long time period. I would argue that the federal role in research should move away from trying to solve real problems, in what I call "public satisficing", and move back to the very fundamentals that will be very difficult for any of the other agencies to cover. Leave the real-time problem solving to provincial agencies and universities that are closer to the ground and have more flexibility. — Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 1:52–53).

If we are going to get the best bang for our buck in intensive forestry, we had better do some growth and yield research, and do it fast. — F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Issue 7:41).

Our Committee has been told that the most important problem in terms of forest management is our ability, or inability, to forecast the performance of each individual stand in a forest over time, and then to project the impact of interventions on the entire forest. Growth and yield curves which show stand progress over time enable the definition of the effects of management interventions to be shown as departures from those curves. Planning for sustainability depends on our capabilities to predict these effects, and to understand the interdisciplinary linkages of what occurs in the forests. *This is why growth and yield research is so critical.*

We cannot have sustainable development unless we can make accurate forecasts, and unless we know how to read the early warning signals. — Honourable Frank Oberle, Federal Minister of Forestry (Issue 2:6).

The fundamental ecological issues raised in terms of sustainability and biological diversity are very real. They are being addressed around the world by people concerned with forestry and working in forestry.

Some of the things are relatively easy and I hope to see them put into practice in the near future. Some are more difficult, and to really take them into account will require major changes in how things are done. We cannot expect that to happen overnight, but we need to start the process. The longer it will take, the quicker we have to start it. — Ken Lertzman, Associate Professor, Natural Resources Management Program, Simon Fraser University (Environmental Issue 33:45).

Another common thread in the testimony regarding research directions was that the scope must be broadened considerably towards sustainable development. This includes matters relating to environmental impacts on the forest resource, as well as the environmental effects of forestry operations. We need to know more about the environmental benefits of biological diversity of forest-based wild plants and animals, and how to define and measure both diversity and benefits. *We need to understand better the parameters of environmentally-safe forest technology.*

At least one submission made a very strong case for a component of basic forest science research of the type that does not pay off quickly, and may be necessarily aimed only at future generations. For example, do we really know how trees make wood in terms of the basic sciences? Can we truly address sustainable forestry development without significant investments in forestry research at the primary level?²⁸

The Committee also heard concern expressed about research in forest policy analysis. It was suggested that this kind of research has always been sporadic in Canada, and that Forestry Canada should examine the role it might play to improve upon deficiencies in this regard, working in co-operation with industry, provincial governments and universities.

Some questions were raised about the perception that professional research staff employed by Forestry Canada do not feel free to express scientific opinions or to undertake research work in controversial areas. The Committee would encourage Forestry Canada to promote increased innovation, and accountability among its scientists, and to stimulate open exchange of professional opinion that will further advance the cause of forestry research in Canada.

Strong support has been heard for the concept of *centres of excellence in forest research* across Canada, such as the facilities that have been established and are continuing to develop at the Hugh John Flemming Forestry Complex in Fredericton. In that facility, the regional research operations of Forestry Canada exist side by side with both provincial and university offices and laboratories. As a further extension of this concept of broad and

concentrated forest resource research, both the province and the University of New Brunswick are promoting the establishment of a *wildlife research centre*, to be jointly operated by the university's Departments of Forestry and Biology.

Throughout Canada, there seems *a particular federal neglect in support of forestry research at universities*. Traditionally the leading forum for research in most countries, there is far too little stable, long-term funding for forestry research to be carried out at Canadian universities. While faculties seek professional staff on the basis of research abilities, so that teaching will remain contemporary, in fact *most universities have few or no continuous supplies of internal funds to provide for stable research programs*. Outside funding therefore is critical, and tends to influence the kind of research done at Canadian universities.

By contrast, forestry schools in the U.S.A. are much more active in research. One of the reasons suggested for this difference has been the impact of an innovative bill passed by the U.S. Congress in 1962 called the McIntire–Stennis Co-operative Forestry Research Program.²⁹ This legislation provides for sustained federal funding for forestry research, to be matched by state and even industry dollars, with the total of these funds allocated to public universities having forestry research and graduate programs, all designed for the continuing studies essential to achieving advances in forest science and technology.

The foundation of the McIntire–Stennis Program is a partnership between the federal government and those states which are most substantially involved in forestry. The legislation requires that individual states must match the federal funds on a formula basis. The allocations to each state are based on three factors: (i) the amount of non-federal dollars expended on forest research in the state; (ii) the area of non-federal commercial forest land; (iii) the volume of timber harvested. This formula concentrates forestry research dollars in those states where the natural resource economy, as well as the commitment to forestry research, fully justifies the federal expenditures.

University and government labs should develop more programs and offer incentives to researchers and scientists to work in the private sector, even for short periods of time.

And the private sector should make maximum use of such incentives to enlist the skills of our university and government scientists to assist in problem solving. — Honourable Frank Oberle, Federal Minister of Forestry (Speech, Vancouver, September 26, 1990).

Our Committee is impressed with the innovative principles of the McIntire–Stennis Program, and the potential of the concept *for stable forestry research funding to be directed to Canadian universities*. To provide the long-term stability of federal forestry funding which must be the foundation for such an initiative, we suggest that a meaningful base-year

amount be added to the budget of the new Department of Forestry. We also propose emphatically *that an escalator be established* in the program to ensure that the spending power of the fund is not eroded by inflation.

In summary then, in this new era of sustainable forestry development, if there is to be any real hope of maintaining and expanding present uses of the forests, as well as sustaining their environmental values and capabilities, *forest research must not only reflect these goals, but it must lead the way towards them.*

RECOMMENDATION NO. 14 — The Committee recommends that research and development in forestry science and technology must be significantly expanded as a key element of Forestry Canada's mandate, and that increased resources be committed to support the research priority, bearing the following principles in mind:

- (i) That all forest-related research now being performed by various federal agencies should be consolidated under Forestry Canada direction;
- (ii) That Forestry Canada take a leadership role in co-ordinating forest research among the various public and private agencies now conducting such research in Canada;
- (iii) That Forestry Canada direct its own research projects to long-term studies which bear national implications and are unlikely to be performed by others, such as growth and yield modelling and analysis;
- (iv) That Forestry Canada budgets be increased to provide stable support for forest research at universities, in matching collaboration from the provinces and/or from industry, in a similar way to the McIntire-Stennis Co-operative Forestry Research Program in the U.S.A.;
- (v) That innovative new research directions be initiated with respect to such issues as the environmental impacts of forestry operations and such specific controversial areas as ecosystem analysis, biological diversity and clear-cutting practices.
- (vi) That wildlife be an integral component of forest research, and that wildlife research centres be established at key regional locations in Canada.

2D. A LEGISLATIVE PERSPECTIVE

One deliberate thrust of this Report, which has been specified clearly in our recommendation for *the mission* of Forestry Canada, is that *utmost respect must be accorded to provincial jurisdictions wherever they apply*. In this century, the federal government has made several efforts to influence national forest policy, and in some cases they have encountered provincial resistance to any perceived intrusions upon provincial areas of jurisdiction. This opposition has constrained the federal role primarily to the provision of funds for provincial programs, with direct involvement only in areas such as research and development, insect protection, fire suppression, private woodlot forestry and public awareness.³⁰ We feel it is obvious that a much stronger federal role is required to actually make any national forest strategy effective, but *the development and practice of that role must be substantially based on principles of co-operation and collaboration with the provinces*. It must be supported by a clear understanding of respective areas of jurisdiction and authority, and by a sense of confidence that there is not a threat, perceived or otherwise, to the lawful roles of any party.

Having reaffirmed that context for this Report and its recommendations, the Committee feels it is nevertheless important *to identify and examine the significant basis which does exist for a federal presence in forestry, without infringing on traditional provincial jurisdictions*. To restrict the new Department of Forestry to a role that does not fully recognize its legislated responsibilities would be too narrow a perspective, and would not only risk its future as a full-fledged department, but more importantly would reflect abdication of its important federal responsibilities and commitments.

In terms of policy rationale, it is the national economic importance of the forestry sector which is most often cited as the basis for federal involvement. The contribution of our forests to gross national product, to employment, to foreign exchange earnings, to tax revenues and to Canada's tourism and outdoor recreation industries, all arguably merit the federal government's attention. However, newly emerging concerns for the environment, including trans-boundary problems and international treaties to deal with them, also bring the federal role into play in areas such as external relations and interprovincial affairs.

Under the Canadian Constitution, the provinces generally own the natural resources and have control over them. At the time of Confederation, section 109 of the *Constitution Act, 1867* gave each province ownership of *lands, mines, minerals and royalties*, and federal transfers in 1930 put western provinces in an equivalent position. Furthermore, the *Constitutional Amendment of 1982*³¹ included a provision which reinforced provincial legislative jurisdiction over the development, conservation and management of forest resources.³² Taken together with the already existing powers over property and civil rights,³³

matters of a local or private nature, and matters respecting the management and sale of provincial crown lands,³⁴ there is no doubt that provinces have the leading role in managing the forests within their respective borders.

That is not to say, however, that the federal government and the new Department of Forestry do not also have a valid interest in forestry management. Federal jurisdiction in this area is based on several related heads of power under Section 91 of *the Constitution Act, 1867*, as well as the general preambular authority *to legislate with respect to peace, order and good government and matters of national concern*.

For example, certain aspects of the forest industry have been federally-regulated by virtue of federal jurisdiction in pollution control. Past court decisions imply that the federal government has the authority to regulate those distinct types of pollution which have extra-provincial or international effects, and are a matter of national concern. The new flagship of federal pollution abatement legislation is the *Canadian Environmental Protection Act*,³⁵ which allows the Minister of the Environment to establish environmental quality monitoring systems and research programs, and to formulate pollution control plans. The Minister is also required to set environmental quality objectives and guidelines, limits on the amounts of substances that may be released, and environmental codes of practice. The Minister of National Health and Welfare is directed to undertake the same task with respect to the elements of the environment that may affect the life and health of Canadians. These powers obviously have significant potential impacts on both the forests and the practice of forestry, particularly its industrial applications.

Another federal regulatory authority affecting the forest industry is *the Fisheries Act*,³⁶ which contains a *general prohibition against the deposit of a deleterious substance of any type in water frequented by fish*.³⁷ Also with respect to *sea coast and inland fisheries*, the legislation provides the basis for an extensive power *to regulate water quality*. Obviously, these fisheries provisions have serious prospective implications for forestry practices, both in the woods and in the mills.

There are other, more indirect, federal authorities which justify a federal presence in the forest sector, including *census and statistics*,³⁸ *weights and measures*,³⁹ and *agriculture*.⁴⁰ The exclusive jurisdiction of Parliament over census, statistics, weights and measures can be called upon to support federal efforts in surveying, developing forest inventories and other forms of research, all extremely important tools in forest management.

The jurisdiction over agriculture may arguably extend to measures regarding tree-farming and the use of pesticides.⁴¹ Although this field is one which is shared with the provinces, the Constitution provides for federal paramountcy. The courts have held that the

word “*agricultural*” must relate directly in substance to the actual growing of crops or raising of livestock.⁴² Should tree-farming be accepted as an agricultural activity, for example, then this basis of power could give some authority to the federal government over that aspect of forestry.

The regulation of *trade and commerce*⁴³ and the federal responsibility for the *export of forest products* are further important federal authorities affecting the forest sector. As such on-going issues as the softwood lumber dispute and the Canada-U.S.A. Free Trade Agreement illustrate, federal policies in the area of foreign trade have a tremendous impact on the forest industry. The 1982 resource amendment to the Constitution did give the provinces the authority to legislate with respect to exports to the rest of Canada, but also *recognized concurrent federal authority and paramountcy in the event of conflict*.⁴⁴ The trade and commerce power also supports federal jurisdiction over the control of pesticides, since it authorizes the regulation or prohibition of the importation of goods into Canada.

One aspect of forestry which is clearly a federal responsibility is its *impacts on Indians and lands reserved for Indians*.⁴⁵ Where harvesting impacts on native fishing, hunting and trapping, for example, or affects culturally modified trees, there is a federal concern.

A related area of federal jurisdiction is that over *migratory birds and wildlife* which habitually travel outside the limits of a single province.⁴⁶ The impacts of logging on wildlife habitat is therefore an important area of concern in integrated resource management.

Another federal responsibility which relates to forestry is the *emergency power*. During peace-time, the military has the potential to be of great assistance in fighting forest fires, for example, or perhaps even in subsequent reforestation projects or clean-up campaigns.

One relatively new and major area of federal responsibility in resource development is evolving via the *Environmental Assessment and Review Process (EARP)*. Both under the *Guidelines Order*⁴⁷ which was established pursuant to Section 6 of the *Department of the Environment Act*,⁴⁸ and *new legislation now before Parliament in the form of Bill C-78*, federal departments and agencies are required to review the environmental implications of their projects. They are obliged to refer those having significant implications to the Minister of Environment for public review by a panel. The EARP process applies to any federal proposal that is to be undertaken directly by a federal department; that may have an environmental effect on an area of federal responsibility; for which the federal government makes a financial commitment; or that is located on lands, including the offshore, that are administered by the federal government. A proposal includes any initiative, undertaking or activity for which the Government of Canada has a decision-making responsibility. (This Report has already addressed the implications of federal EARP powers in our Recommendation No. 7).

Quite apart from its composite legislative jurisdiction, *the federal government has proprietary rights on its own lands*, including Indian lands, national parks, military reserves and the northern territories. The federal forests cover approximately 11% of all forest lands in Canada and the federal government has the owner's role to play in forest management.

Other constitutional bases of power which may support federal involvement in forestry affairs are *the spending power* and *the power of taxation*. In the past, the federal presence in forestry has largely consisted of shared-cost conditional grant programs to influence policies. As long as the conditions imposed do not amount in fact to a regulation or control of a matter outside federal authority, this use of the spending power is valid. The taxing authority may also be used to promote forest management, but any taxing scheme must be primarily concerned with the raising of revenue.

The Department of Forestry Act (Bill C-29)

On June 22, 1989, a new legislative milestone was reached for Canada's forests sector, when the Honourable Frank Oberle tabled *Bill C-29* in the House of Commons, *An Act to establish the Department of Forestry, to amend the Forestry Development and Research Act, and to make related amendments to other Acts*. That Bill was passed by the House of Commons on November 1, 1989, and it was proclaimed into law on February 23, 1990.

The *Department of Forestry Act* is very brief, consisting of just 13 sections. The powers, duties and functions of the Minister of Forestry are set out in sections 5 through 9, which specify that the Minister's authority extends to all matters over which Parliament has jurisdiction not by law assigned to any other federal department, board or agency, relating to forestry and the forest resources of Canada.

The Minister's general duties are *to co-ordinate, assist, monitor and enhance the utilization of forest resources, management and policy*. This is to be done *with regard to the integrated management and sustainable development of the resource*. The Act actually adopts the same definition for sustainable development as the Brundtland Commission Report, "*development that meets the needs of the present without compromising the ability of future generations to meet their own needs*".

Additionally, the Act gives the Minister broad powers to promote co-operation with the provincial governments, with non-government organizations, with foreign countries and with international organizations. He is also authorized to engage in research and statistical analyses, and to promote public awareness of forest resources. The Minister may establish advisory committees or enter into agreements related to his responsibilities.

Of significance to many witnesses who appeared before our Committee, is the *responsibility of the Minister to table an Annual Report in the House of Commons and the Senate*, which shows not only the operations of the department, but also gives "*an account of the condition of the forest resources of Canada and their contribution to the Canadian economy*". This Annual Report must also include information on forest employment, an inventory of forest lands, a review of new forestry-related products, a survey of environmental standards being applied by the industry, trade issues and figures and a report on the integrated use of the forests.

Clearly, the responsibilities for this Annual Report place significant accountability for Canada's forest resources upon the Minister. Yet, it is also clear that the direct powers and jurisdictional authority are modest by comparison. Obviously, Forestry Canada's mandate to provide this accountability will have to be found in a number of ways, *but provide it, Forestry Canada must!*

There is no time for jurisdictional posturing. The public made clear its attitudes and expectations. It is incumbent upon governments and the forest sector to justify renewed public confidence in the use and management of Canada's forest heritage. — Richard C. Goulden, Assistant Deputy Minister, Department of Natural Resources, Manitoba (Issue 20:10).

Although the forests are a provincial responsibility, there can be no excuse for Ottawa's hiding behind the Constitution — Keith Newman, Director of Research, Canadian Paperworkers Union (Issue 18:24).

In the Committee's view, Bill C-29 has set the stage for a new era of federal involvement in forestry. While the legislation is not sufficiently strong in many areas, and will require significant future revision and amendment, nevertheless its primary purpose of establishing the new federal Department of Forestry has been achieved. We trust that our recommendations, and the experience of future years, will help to build on this beginning in constructive and effective ways.

We face indeed the exciting opportunity to realize sustainable development. A stronger mandate than the one in Bill C-29 will assist in achieving this goal. The downside threat of weak legislation is drift, decay, dislocation and rising dissension. That is a risk we cannot afford to take. The upside potential of a stronger and broader mandate will be realized in impressive gains for millions of Canadians.

It was the visionary [Goldwin Smith] who remarked over a century ago that Canada was rich in resources, but poor in policy. I sincerely hope that this Committee will do its part now in closing the gap which [Smith] saw so perceptively a century ago, the gap between promise and performance. — F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Issue 7A:19-20).

While the creation of the new Department of Forestry enjoys wide support throughout Canada, the Act itself is perceived by many as weak and inadequate. The inclusion of integrated management and sustainable development as the *modus operandi* of the new department is laudable, but the means to actually implement these concepts appears to be lacking. Even the name of the new department has been criticized for being too narrow and industry-oriented. (This latter consideration has been addressed by our Recommendation No. 3).

A number of witnesses commented on the shortcomings of Bill C-29, and there is a good deal of genuine feeling that its deficiencies will prevent the department from fulfilling its potential role in Canadian forestry.

We view Bill C-29 as a new vehicle that could have a major role. However, the vehicle needs a little more design work, and has very little payload at present. — A brief submitted by the New Brunswick Forest Products Association, May 22, 1990, p. 3.

...if we want to put the new department on solid ground so that it will last, and will survive the ups and downs of the economy, the ups and downs of governments and so on, we should make sure that the mandate is appropriately important and wide ranging. Otherwise, we run the risk of seeing it shrink over the years, and even disappearing after a short-lived existence. — Claude Godbout, Dean of Forestry and Geomatics, Laval University (Issue 1:45).

Following are some of the suggested changes and amendments which the Committee feels should be considered with respect to the *Department of Forestry Act*:

- (i) If our Recommendation No. 3 is accepted, then of course a number of detailed amendments will be required in the legislation to give effect to *the change of name* for the new department.
- (ii) The residual jurisdiction given to the Minister in section 5 of the Act "*relating to forestry and the forest resources of Canada*" seems too vague. Rather, this section should specify in greater detail those specific aspects of forestry for which the Minister is directly responsible. For example, many responsibilities could be more clearly enumerated such as forestry funding, federal-provincial co-operation, maintaining a national forest database, forestry research and applied technology, industry relations, forest management on federal lands and international forestry marketing intelligence. These seem very basic areas in which the department should be involved, and there are undoubtedly more.
- (iii) All of the ministerial responsibilities described in section 6 need to be strengthened and broadened. The mandate is at present defined in fairly soft terms such as "*co-ordinate*", "*assist the development of*", "*monitor and promote*", "*have regard to*", and "*seek to enhance*". None of these words portrays a leadership role for Forestry Canada; rather than merely "*co-ordinating*" federal forestry policy, the new department should be *leading* the country towards sustainable forestry development.

...I was very disturbed again at the wording contained in the bill with respect to research, in that there is not a strong requirement for the agency to play an operational role in research. I think the words are something along the lines

of “assist in the development”. From many aspects, I would like to see the agency taking a much more pro-active role in that area of activity.

— J.R. Carrow, Dean of Forestry, University of Toronto (Issue 1:28).

(iv) Again, the existing words need to reflect a more direct role on the part of the Minister, this time with respect to *research*. The Minister should be required to engage in and fund research related to ecological systems, silviculture, harvesting practices, forest management and forest products. The need for the transfer of technology should also be specified.

(v) The requirement for the Minister to “have regard to” integrated resource management and sustainable development is much too nebulous. Once again, Forestry Canada must help to implement these concepts, as well as promoting and co-ordinating them. As we shall be discussing in Chapter 3, formal mechanisms will have to be established on a federal-provincial basis to accommodate consultation and debate among all stakeholders leading to planning decisions for sustainable forestry development.

Bill C-29 does not provide for appropriate public consultation mechanisms. There is no indication of any commitment on the part of the Department of Forestry to engage in broad-based consultation with a full range of stakeholders — the government departments or agencies, forest users including industry, Indian bands, trappers, or the general public — in the formulation of use allocation and forestry management decisions.

— Johannah Bernstein, Corporate Counsel, Canadian Wildlife Federation (Issue 21:20).

(vi) The implications of existing and new Environmental Assessment Review Process (EARP) legislation for the practice of sustainable forestry development are not referenced at all in Bill C-29, (although the Committee has addressed the EARP relationship to forestry in Recommendation No. 7 of this Report).

Bill C-29 does not commit to environmental impact assessment. Given the recent court cases involving the Rafferty and Oldman River Dams, the Canadian Wildlife Federation is concerned that Bill C-29 does not explicitly require the minister to call for environmental assessment of forestry projects or management policies and practices.

— Johannah Bernstein, Corporate Counsel, Canadian Wildlife Federation (Issue 21:21).

- (vii) With respect to the mandate to “*seek to enhance the utilization of Canada’s forest resources and the competitiveness of Canada’s forest sector*”, the wording is imprecise. Specific reference to measures or programs for which the Minister is to be responsible, would help to clarify the objectives. Does the “*utilization*” of forest resources merely refer to commercial use, or does it refer to other uses of the forest? Would the term include measures to promote paper recycling?
- (viii) In similarly hazy terms, section 7 imposes additional duties on the Minister to “*promote*” co-operation with governments and non-governmental organizations (NGOs) in relation to forest resources, and to “*enhance*” public awareness of benefits from the forests. The Minister is also given an operational role with respect to the gathering of all kinds of information affecting forestry (“*scientific, technological, industrial, managerial, marketing and related activities and developments*”). These duties are incompletely described and appear to be unfocused. The Minister should do more than merely promote co-operation, he should actually be engaged in problem-solving, policy formulation and co-ordination on matters of mutual concern. The role of Forestry Canada with respect to public education should also be broadened, to include many other aspects of forestry such as *public responsibilities* in addition to *public benefits*. Information regarding forestry issues, harvesting practices, regeneration programs and the general state of Canada’s forests should all be made available to the public, on a consistent basis.

... *there is a major problem in many many areas regarding this information or misinformation, public awareness and understanding about forest resources. We get polarization on many forestry issues because people do not understand the background.* — Bob Staley, President, Ontario Forestry Association (Issue 8:31).

- (ix) Under section 9 of the new Act, the Minister is authorized to enter into agreements, including the *Forest Resource Development Agreements (FRDAs)*. We hope that some of our Committee’s recommendations with respect to more stable and long-term funding will be legislated, not just with respect to FRDAs but also, for example, *for stable research funding to universities* in some manner appropriate to Canada, as the McIntire–Stennis legislation is to universities in the U.S.A.
- (x) The *Annual Report to Parliament* by the Minister of Forestry as prescribed in section 10 of the Act is generally deemed to be a major step forward in public accountability for our forest resources. Because it will necessarily address circumstances for which the federal Minister is not directly responsible, perhaps the legislation should eventually be designed to accommodate the formalities of

a federal-provincial *Canada Forests Accord*, (as is addressed in Chapter 3 of this Report). Other elements of the Minister's Annual Report would, of course, include new information available from a national database once that is established, and also a progress report on the planning and implementation of a national strategy for sustainable forestry development. Public expectations for *annual* progress from this report each year may be difficult to address in the *long-term* life of our forests.

... we believe that if you want to have sustainable development of Canada's forests, you first have to put the forest in a condition that can be sustained. As stated in the national forest sector strategy, the age-class structure of Canada's forest never was, and is not now, balanced to meet societal needs over time.

We think that the Minister's Report to Parliament required by Bill C-29 should comment periodically on this structure of the forest, and that federal-provincial agreements should include objectives for the adjustment of the forest age-class structure. — William Fullerton, President, Canadian Forestry Association (Issue 5:22 - 23 and 24).

It goes without saying that this Annual Report should be freely and widely available to all citizens, particularly to those who are practising stakeholders in Canada's forests.

In order to implement some of our Committee's recommendations with regard to the transfer of certain agencies and programs from other government departments to Forestry Canada, it will be essential that *the Forestry Act*, (formerly *the Forestry Development and Research Act*), be modified, particularly paragraph 3 (1)(e). As that provision now reads, the new Department of Forestry may *only* assume responsibility for forestry on federal lands *if a request for it to do so has been made by another department or agency*. In our view, the reorganization of interdepartmental responsibilities for forests and forestry at the federal level is a fundamental requirement to a truly effective mandate for Forestry Canada, and the Committee feels strongly that such decisions should be implemented by Order in Council, and not merely left to the discretion of those departments or agencies who are now involved. The provisions of *the Forestry Act* might also desirably be extended to include those circumstances where a formal Memorandum of Understanding (MOU) prescribes the relationship of the new Department of Forestry to other federal departments or agencies.

RECOMMENDATION NO. 15 — The Committee recommends that both the *Department of Forestry Act (Bill C-29)* and the *Forestry Act* be comprehensively amended to establish the new Department of Forestry as the pre-eminent federal authority with respect to the management of Canada's forest resources and the practice of forestry; and to provide appropriate legislative powers sufficient to permit the new Department to fulfill its mission towards sustainable forestry development.

2E. FUNDING THE FEDERAL ROLE

These are just some ideas of the directions I will be taking in providing the leadership I believe is required at this historic juncture in Canadian forestry. I know there are those who will ask where the money is going to come from. No doubt the adjustment to the new realities will be very costly, but it is my clear view that we really have no choice but to find the resources.
— Honourable Frank Oberle, Federal Minister of Forestry (Issue 2:7).

To state the obvious, no mandate is meaningful unless it is fully supported by the resources needed to carry it out. In the case of the new Department of Forestry, this will be especially true, because in order to accomplish its *mission*, much of the work, in fact most of it, will have to be done indirectly through others, and therefore *the judicious use of financial resources* will be an extremely important part of the federal influence on sustainable forestry development.

To repeat one more time, there are compelling financial reasons for federal investments in forestry. *Revenues from forestry* at over \$2.3 billion are *five times larger* each year than *expenditures on forestry* at under \$0.5 billion.⁴⁹ The forests more than justify federal costs, and then some!

The federal government can influence forestry practices through continued funding of forestry programs. Money talks, and the federal government can have its greatest influence if it continues to participate in shared co-operative forestry agreements. — Jim Cayford, Executive Director, Canadian Institute of Forestry (Issue 5:10).

The rationale for strong continued funding from the federal sector is multi-faceted. There are environmental reasons. There is an opportunity for the federal government to mitigate the fall-down effects by restocking NSR lands. There are reasons of international trade. There are short-term and long-term employment reasons. Lastly, the federal authority should protect a major government revenue stream for the future. From B.C. alone the industry generates many hundreds of millions of dollars a year for federal coffers. — Mike Apsey, President, Council of Forest Industries of British Columbia (Issue 15:9).

The total budgeted expenditures for the new Department of Forestry in its first full year of operation are approximately \$160 million, as set out in the 1990-91 Estimates. The comparable figures for the two previous years are \$232 million in 1989-90, and \$256 million in 1988-89, when Forestry Canada was a separate agency within the Department of Agriculture.

It is worth taking note of the dramatic drop of about \$95 million in those budget levels over the three-year period, because it relates almost entirely to the cyclical nature of federal-provincial Forest Resource Development Agreements (FRDAs), which were in various stages of termination and re-negotiation as the 1990-91 Estimates were being prepared.

The total budget is broken down into three categories in the 1990-91 Estimates as follows: (i) Operating (personnel, goods and services) — \$100 million, (ii) Capital (construction and acquisitions) — \$10 million and (iii) Transfer Payments (grants and contributions) — \$50 million.

Expenditures for personnel represent approximately \$72 million, which is 45% of the total budget, and 72% of operating expenditures. The total number of person-years for 1990-91 is 1,312, with allocation into three categories — (i) forest research and technical services — 815 (ii) forestry development — 110 and (iii) administration 387.

One good illustration of the changing status and fortunes of Forestry Canada over the years can be seen in the history of person-years contained in its Estimates, for example as follows — 1960-61 (1,301), 1961-62 (1,410), 1968-69 (2,181), 1980-81 (1,029), 1985-86 (1,323), 1989-90 (1,342). It is readily apparent that in terms of staff, Forestry Canada has fluctuated by more than 50% from its high complement of personnel in 1968, to its low point in 1980.

Surprisingly, dollar budgets appear to have been much more stable, taking inflation into account, and it was not until 1983-84 that a major new stage of financial commitment appears to have been made to forestry, with particularly significant new money being directed to grants and contributions through the FRDAs over the past six or seven years. For example, total expenditures in 1982-83 were only about \$57 million, jumping to \$196 million in 1983-84. That general level seems to have been maintained and gradually increased, peaking at \$260 million in 1987-88.

These historical figures are important to consider for two reasons. First, they demonstrate the “on again, off again” approach which the federal government has taken to forestry over the years. Second, they illustrate the general magnitude of the historical budget base from which the new and serious assault must be made in the *mission* to achieve sustainable forestry development in Canada. By any and all comparisons, *a quantum stride forward to support that mission must be made in federal financial commitments to forestry*, and they must be clearly contained in future budgets of the new Department of Forestry.

Our Committee has not attempted to conduct an exhaustive financial analysis of the recommendations contained in this Report, but we have thought seriously about the costs, and do propose some examples and suggestions for consideration. Suffice it to say, however, the economic realities and the environmental demands which pertain to our forests in Canada are so compelling that *almost any level of investment in stewardship of this resource will never be enough!* The urgency of assuring ourselves that we can truly achieve sustainable forestry development is so pressing that budgets will have to be as large as possible at every level — federal and provincial governments, industry, special interest groups and all stakeholders — to get this mission done as quickly and as well as we can.

Briefly, we urge the federal government to spend far more on forestry than it does at present. We feel that the federal government should take a leadership role in implementing a sustainable forestry strategy. This role should be established by tying future funding to specific sustainable forestry criteria. New forest resource development agreements should support only those programs based on an understanding of site-specific dynamics and the forest's biological capacity to renew itself.

The Canadian Paperworkers' Union's first priority is the welfare of its members, our jobs, and our communities. In the United States the forest industry provides 3.5 jobs for every million cubic feet of timber cut. In British Columbia, the same amount of timber yields 1.05 jobs. We should be using our forests more efficiently, providing more jobs from the timber we have. This would help to ease the pressure on the resource base.

— Keith Newman, Research Director, Canadian Paperworkers' Union (Issue 18:24).

To be more specific with respect to federal funding, let us commence with *the increased operational role* that we propose for Forestry Canada, including the *integration of other government agencies* which have substantial involvement in the forest sector. A broad estimate of the resources of other federal departments directed to forest activities, and their proposed consolidation within Forestry Canada, amounts to approximately \$450 million annually and 5,200 person-years, most of which would come from Environment Canada's Wildlife and Parks Services.

We would assume that transfers of responsibilities and related organization can be achieved within the budgets already provided elsewhere for those respective agencies, perhaps even with some savings realized. However, there are also specific areas where we have recommended *enhanced activity*, such as in *forestry for native people, new wildlife*

research centres and recruitment of senior field foresters for Forestry Canada, to name only a few. To put a budget estimate on these expanded activities without detailed costing would be speculation, but the amounts would be significant.

In the traditional area of Forestry Canada expertise in *scientific research for forestry*, we could start with the relative GERD ratios mentioned earlier in this chapter, where there can be no doubt that we must at least *double* our commitments to forest research and development to be competitive with other countries. Again, that research should be directed to *applied competitive priorities* as much as possible. This might mean, for example, that in terms of the total activities of Forestry Canada in research and technological services, the budget, which is \$74 million, should justifiably be considered for the future at almost *twice the current level!*

Another analogy for the levels of research funding to be contemplated may be seen in our important proposal in Recommendation No. 14, calling for *more stable research funding to universities*. The following excerpt is taken from a positive response to that proposal:

As for amount of funds needed to start such a program, when I was President of CIF, I made a pitch for one percent of the softwood export tax revenues, which at the time would have translated into about \$5 million. This would have been enough to replace the Canadian Forestry Service Human Resources Fund, which was discontinued following the Nielsen Task Force report. Forestry Canada is currently spending just over \$1 million on its NSERC/industry partnership, and that is not nearly enough to meet the demand. Probably \$5 million is a good starting point.
— J.R. Carrow, Dean of Forestry, University of Toronto (Letter to the Committee dated August 30, 1990).

One major recommendation which has been voiced unanimously and urgently throughout our hearings is for the new Department of Forestry to lead the development of a *national forest database and inventory system*. At a National Conference on Canada's Timber Resources in June 1990, the delegates agreed to a similar recommendation and placed the cost of it at \$2 per hectare of forest land in Canada. On the basis of 244 million hectares of such productive forest land, this means the need for financial commitments of \$488 million over five years, or \$97.6 million per year. While obviously there would be shared funding with the provinces and other major forest ownerships in such a project, the magnitude of investment for the federal government would clearly be very large.

Forest Resource Development Agreements (FRDAs)

A key component in the funding to help lead Canada to sustainable forestry development, will be accomplished through *the Forest Resource Development Agreements (FRDAs)*. These appear in the Estimates to be dramatically reduced in the current year to a range of \$40 million, compared to actual expenditures of more than \$135 million just two years ago. As explained previously, this anomaly is caused by the cyclical nature of FRDAs, and as new agreements with the provinces are completed, it is expected that the additional funding necessary will be provided through Supplementary Estimates.

These five-year agreements, signed with each province during 1983–85, can aptly be described as *the best current mechanisms* for encouraging and accelerating forest regeneration throughout Canada. Unfortunately, the time frames in which they are cast are simply too short for a resource with a growth cycle of 50 years or more. FRDAs have become the major source of joint government funding for forest management, with the federal government devoting \$612 million out of the total of more than \$1 billion spent over five years.⁵⁰ About 80% of the money has been used for silviculture (planting, thinning and fertilizing), with the rest devoted to research, to support for small woodlot owners, and to a limited extent, (about \$15 million), assistance for Indians to develop forestry on their own lands. Overall, these agreements have resulted in some two million hectares being treated, which is three times the total of only ten years ago. More than 850 million seedlings have been planted under FRDA programs.

We are suggesting that as research comes along, giving guidance as to how we should select the seeds to be planted, it would be through the FRDA agreements that knowledge from the federal research laboratories would be passed to the provincial. It would hopefully influence the type of seed and the nursery program the provinces carry out to provide seedlings for planting.

We want a mechanism by which research in the laboratories gets put to practice in the planting of trees. Planting is done by the provincial people. It seems to us that FRDAs should provide the agreement by which the federal and provincial foresters spell out a program, a plan, and an agreement, as to how to work in the period ahead. — Peter E. Wrist, President and Chief Executive Officer, Pulp and Paper Research Institute of Canada (Issue 6:16).

There are three especially important points which the Committee wishes to emphasize about the current concept of Forest Resource Development Agreements:

- (i) Judging by the high demands which have been made in negotiations for increased funding in the current renewals, and with needs for increased silviculture and reforestation widely documented, *the present levels of financing in current FRDAs are inadequate to the goals which must be accomplished in attaining sustainable forestry development in Canada.*
- (ii) The present *short-term cyclical nature of FRDAs makes them unstable and unsuitable for long-term funding of forest resources management*, where planning timetables should equate to the growth cycle of the trees. As a result, the current five-year time frame for FRDAs falls far short of being the ideal mechanism for long-term forestry funding.
- (iii) FRDAs have been *administered through regional development agencies* such as the Western Economic Diversification Program (WEDP), the Atlantic Canada Opportunities Agency (ACOA) and the Department of Industry, Science and Technology (DIST), and therefore are frequently *perceived more as instruments of regional development rather than of national forest policy*. While the emphasis on both is important, the Committee feels that forestry imperatives demand direct focus and action on their own merits.

We need to recognize as resource managers that planning must be matched with long-term funding. The province has been the fortunate recipient of two back-to-back FRDAs with very little delay between agreements. Others have not been so lucky. The province is pleased and appreciative of the support of Forestry Canada; however, we believe more could have been accomplished if the two five-year agreements had been one of ten years. Long-term funding, while reinforcing the commitments of both governments, allows for more efficient planning and builds landowner confidence in forest management programs. Therefore, we recommend that Forestry Canada put in place mechanisms that will allow long-term funding arrangements of 10 to 20 years. — Brief to the Committee from the Department of Energy and Forestry, Prince Edward Island, April 30, 1990, p. 6-7.

Many other witnesses spoke about the need for consistent long-term funding which would better reflect the management planning horizons required for forest resources.

The most important point is that there be some agreement, understanding and consistency to funding for forestry agreements, because you cannot run a forest on a one-year, five-year or ten-year cycle. It is a long-term undertaking. — Howard Hart, President, Canadian Pulp and Paper Association (Issue 3:33).

The Committee is similarly convinced that the FRDAs should not be structured so as to invite lapse before renewal, but rather they should foster forward-looking long range planning. One way to achieve this would be through an “evergreen” agreement, of the type used in several provinces for forest management licenses. Many of these licences are for 25-year terms, but in five-year increments they are re-evaluated and, subject to satisfactory performance, are renewed and extended for an additional five years to the original term. In other words, the 25-year agreement becomes perpetual, or “evergreen”. Such a concept would be very appropriate for FRDAs funding, perhaps even continuing in five-year terms with *annual review and extension*, but preferably for longer time-frames.

...rather than looking at five-year horizons, as we are with sub-agreements, I would really rather be looking at 25-year horizons, or something of that nature, where a commitment is made by both parties to particular considerations, because within that kind of mandate we could do the kind of planning that is necessary to develop forests. — Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:15).

In order to provide this kind of long-term stability to the federal forestry mandate, it seems essential that FRDAs, and any other such initiatives, should come under the direct control of the Minister of Forestry. While *it is* possible to assist with regional economic policies through application of national forest strategy programs, in our opinion the *reverse strategy* does not work nearly so well. At present, FRDA funding for forest renewal, research and training is largely directed and administered through regional incentive programs. An example of this is the Atlantic Canada Opportunities Agency, from which comes the major part of forest sector funding for work in the Atlantic Provinces.

These funds are widely shared, politically divided, short-term, and therefore not at all suited to or committed to any sustained work in the forest environment. — J.R. Leach, Chairman, New Brunswick Forest Products Association (Issue 24:37).

It is the opinion of the Committee that Forest Resource Development Agreements should become entirely the responsibility of Forestry Canada, including the structure of the agreements, the negotiation of joint funding, the terms of reference, monitoring and

evaluation and of course, *evergreen review and renewal*. In our view, this would greatly strengthen FRDAs as techniques for federal–provincial collaboration in forestry, and hence as vital instruments in the long–term process towards sustainable forestry development. As well, such an arrangement would lead to more accountability on the part of the new Department of Forestry for FRDAs implementation and administration, and would probably help to satisfy the Auditor General’s concerns, expressed in his 1988 report, about a lack of control on the part of the federal government.

However, to come and say, as happened in the early 1980s, that federal money is available if you will plant, whether you need planting or not, is not a wise way to approach forest management.

I think we have wasted incredible amounts of money planting trees in the last decade. Incredible amounts!

I think no one can show that we actually needed to plant those trees, in terms of forest dynamics. The fixation here is that you can get caught at either of two extremes: talk about a whole country, or talk about one stand, such as, “fix this stand”. If we fixed each stand as we came to it, it is a certainty that we would have suboptimal management of the forest. You need to look at a forest and ask what stands in it are limiting and where should the money be spent to get the most production out of that forest. What we need is an environment that allows an analytical approach to what the problems are in a forest and how we will treat them, rather than coming with an answer that says plant everything in sight.

— Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 11:9).

In terms of funding future FRDAs, *the budgets must be strongly committed in advance*. Therefore, the Committee feels that *adequate resources must be placed in the base budget of the new Department of Forestry to support the full agenda of agreements which are contemplated for the ensuing year*. That base level of budgeting would then serve as the foundation for long–term continuity of the FRDAs as they are reviewed and renewed year after year. It is only through such a comprehensive commitment by the federal government that Forestry Canada will have both *the credibility of mandate and the financial strength* to help lead the provinces in a cohesive national strategy towards sustainable forestry development.

I remain committed to the importance of the continuation of the development agreements as an essential instrument of the sustainable development of our forest resource. — Honourable Frank Oberle, Federal Minister of Forestry (Issue 12:10).

RECOMMENDATION NO. 16 — The Committee recommends that, to fully support the mandate of the Department of Forestry in its mission to achieve sustainable forestry development in Canada, the federal government allocate the necessary human and financial resources, including but not limited to the following:

- (i) Budget provisions for Forestry Canada to establish an operational forest management capability;
- (ii) Budget provisions to enhance forest management on Indian lands;
- (iii) Budget provisions to establish at least two regional wildlife management research centres east and west in Canada;
- (iv) Budget provisions to participate fully in funding the development of a co-ordinated national forest database and inventory system over the coming five-year period;
- (v) Major funding increases to bring scientific forestry research in Canada to comparable GERD levels with other forest nations;
- (vi) Transfer of FRDAs funding directly to Forestry Canada's base budget, with major increases to match mutually agreed upon schedules for implementing sustainable forestry development with the provinces.

RECOMMENDATION NO. 17 — The Committee recommends that, in addition to the transfer of FRDA funding to the base budget of the new Department of Forestry, the entire concept of Forest Resource Development Agreements be comprehensively reviewed, and amended in legislation where appropriate, to achieve the following objectives:

- (i) Structures of agreements to be for long-term periods, subject to revolving review and renewal at regular intervals on an "evergreen" basis;
- (ii) Policy principles and criteria for funding to be established directly with the provinces by Forestry Canada, and always to be consistent with the national strategy towards sustainable forestry development;
- (iii) Effective means to be provided for third-party inclusion in agreements, such as universities for research, woodlot owners for private forest management, professional forestry associations and other non-governmental organizations for development of codes, standards and public education programs.

As we have endeavoured to articulate clearly, *the main mandate for the new Department of Forestry must essentially come from the federal government itself — in organizational terms, in legislative terms and in financial terms.*

If history is a teacher, then it does seem clear that the original Department of Forestry did not fail because of outside forces, but rather because *it was not given credibility by its own creator, the federal government of the 1960's. Let us earnestly hope that history will not repeat itself in the 1990's.*

The *mission* for Forestry Canada has been set out in this report and the magnitude of the *mandate* has been described. We now wish to consider the *means* by which the new Department of Forestry may help lead Canada to sustainable forestry development in the years ahead.

FORESTS OF CANADA: THE FEDERAL ROLE

CHAPTER THREE

THE MEANS: PARTNERSHIPS IN ACTION

The quest for sustainable development, as we have stated earlier in this Report, is not only a *technical process* but also a *political one*, involving many forest constituencies. Among them, there is *common cause* to be made, and there are *common goals* to be sought.

Our forests truly are a *national resource*, indeed a legacy, and most citizens view them that way; yet, the majority of forest lands are owned, and held in trust, by the provinces. Thus, there is a *shared national responsibility* for stewardship of forest resources, even though the forests remain primarily within *provincial jurisdictions*.

With full respect for jurisdictional realities therefore, strong *partnerships for action* will be sorely required, and they should be readily forged.

The issue of sustainable development in our forests has become a *moral cause* for Canadians; the *means* for achieving it must become a *moral commitment*.

To fulfill the federal share of that national responsibility for our forests, innovative *means* must be found for Forestry Canada to work in forestry with the provinces on a stable and lasting basis. The Committee believes that *partnerships in action will provide such means!*

3A. A CANADA FORESTS ACCORD

Several times in this Report, we have referred to the need for *a process and a structure as a means* towards sustainable forestry development. We now propose definitions for those concepts:

The process is seen as the search for a vision of our forests, literally from the ground up! Just as, for example, the British Columbia Forest Resources Commission has recently been charged with developing a vision for the forests of that province, every province and territory should be motivated to do the same.

Given the fact that all parties who have an interest in Canada's forests should participate in developing a national strategy, the difficult task is really a process one. The process in this case may well be as important as the product. Traditional vested interests are likely to feel threatened while new actors on the environmental stage will be jealously awaiting their opportunity to correct inadequacies, either perceived or real, in past and present forest management, use and protection. — Richard C. Goulden, Assistant Deputy Minister, Department of Natural Resources, Manitoba (Issue 20:6).

... The Forest Minister ... requested that the Commission provide him with a comprehensive view of what the forests of British Columbia should represent, taking into account the full range of forest values, how the forest might be managed to protect and enhance those values, and the total economic impact of the forest to the province. I believe that this direction to the Commission was extremely important.

In essence, the public concern for a vision of the future of the forests was recognized, and the mandate to develop it has been provided to the Commission. — A.L. (Sandy) Peel, Chairman, British Columbia Forest Resources Commission, (Correspondence to the Committee, April 12, 1990).

The structure is proposed to comprise two elements, the Canadian Council of Forest Ministers (CCFM) as the institution, and a Canada Forests Accord as the working document.

I have an opportunity of participating in a number of national conferences, and I can tell you that none of them work more effectively than the Canadian Council of Forest Ministers. — Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:21).

I think Forestry Canada has a role in working with the provinces, and I think one of the very excellent vehicles for doing that is through the CCFM, the Canadian Council of Forest Ministers. I have watched its development over the years and I have seen it evolve, and I think it can continue to evolve into a very effective organization. If the right spirit is at that table — and Forestry Canada has a strong role in ensuring that this flavour is at the table — then I think there is going to be a spirit of co-operation and the data will flow from the provinces to the federal government and we will have a truly national forest data base. — Mike Apsey, President, Council of Forest Industries of British Columbia (Issue 15:15–16).

Throughout this Report, we have emphasized again and again that sustainable forestry development must begin with a long look forward. Literally, we need *a national public debate* to find thoughtful answers about *the destiny* of our forest lands in the decades ahead.

I have some recommendations. I think we should be calling for a full inquiry into our forests. Obviously the Environics poll is one indicator. I think the kind of news we are seeing in British Columbia every day is another indicator of the concern people are raising about management of our forests. We are looking to the federal government for leadership on this. This is a Canadian heritage we believe is held in trust. A forest is not just the trees, it is not just timber, it is the whole complete ecosystem that has to be looked at. — Vicky Husband, Director, Sierra Club of Western Canada (Environment Issue 33:19).

We feel that such *a process of intensive public consultation* must be the first step in Forestry Canada's *mission*, and it can only be accomplished in close collaboration with the provinces. Taking the British Columbia vision study and similar such initiatives under way in Manitoba and New Brunswick, *as models*, there is an opportunity for *planning the plan* for sustainable development of the forests of each province — interest by interest, sector by sector and community by community. In this manner, a comprehensive and constructive debate can be nurtured which will identify and prioritize all of the demands on, and expectations for, our forests in Canada, and most importantly of all, will precipitate considerations for sustainability of every proposed use. That is where the resolution of conflicts will begin, *with compromise and accommodation replacing confrontation* as the sustainable limits of the forests are recognized and accepted *in firm and realistic planning for "our common future"*.

Such a process will require many instruments to make it work. *Organization* will be one of the keys, to ensure that all citizens are represented and all interests are heard. There will also have to be an effective program to promote *public education and awareness* about the

mission. Very high standards of *inventory data* and technical information about all forest resources will be needed to provide a knowledge base. *In the final analysis, the range of sustainable choices must be evaluated in both a professional and a political context, so there may be true public confidence in the results.*

If you could just start with a clean map, and map out the province, I am sure there is a lot of room in British Columbia for all the parks and wilderness and everything else we need, and still leave a sufficient area for the industry we have. — Ken Williams, Chief Forester, MacMillan Bloedel Limited (Issue 11:55).

There are many important moves which the new Department of Forestry can make, in concert with the provinces, to initiate and foster such a process. The design of an effective consultation method; the provision of a national forests database; participation in federal-provincial public awareness programs; and national co-ordination of the process itself; would all be areas for federal action in a *partnership* mode.

As a federal-provincial undertaking, this mission would be a national forestry dialogue to ultimately result in *a vision statement for Canada's forests, A Canada Forests Accord*. That accord would not only identify *a range of goals* and place *forest development priorities in order*; it would also pose the challenges of sustainability. Then, and only then, would we be ready to plan the actions required to achieve those developments in sustainable ways.

It bears repetition: *the first stage* is to define the vision; to set objectives; to describe the forests of the future. *The second stage* is planning and action to achieve those goals, but that comes later. It is simply not feasible to plan for implementation before or until consensus has been reached about the goals. That is an important key to sustainable forestry development; *goals must come first*.

With that kind of process for building *provincial* forest visions, and consolidating a *national* one, the Council of Canadian Forest Ministers (CCFM) is the obvious *structure* within which to *convene the consensus*. There is good precedent for such a scheme, for it was through the CCFM that federal and provincial governments previously worked together with industry, labour and environmental groups to develop "*a National Forest Sector Strategy for Canada*" in 1987. Today, the CCFM remains a sound model for co-operation on a national scale. With leadership assistance from the new federal Department of Forestry, and strong support from all others, the CCFM would seem ideally suited for an expanded mandate, with adequate resources to successfully complete this visionary task. Such a

moulding of separate provincial and territorial visions into a national plan for sustainable forestry development would be a historic exercise in public consultation and inter-governmental collaboration.

The most important general point, it seems to me, is that we need a structure for a federal role in forestry. We have a situation where the ownership of the resource lies in the hands of the provinces, but the principal taxing capability lies in the hands of the federal government, and our ability to get these two things together in an environment where we actually manage the resource is awkward at the best of times. — Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 11:4).

It does not bother me one iota that the forests belong to the provinces and the Minister is federal. The federal government is a stakeholder in the longevity and worthiness and worth of the industry, and is fully justified, in my view, in entering that debate.

Now, the reason we are proposing that he get into that debate, along with the CCFM, is that, as enunciated, there are so many damn myths and misstatements floating around through the system that have no basis in fact, that somebody has to get control of that agenda. I would certainly encourage the CCFM, led by the federal forestry Minister, to be much more active in this public debate. — William Martin, Vice-President, Canadian Pacific Forest Products Limited (Issue 24:22).

The partnerships will require more than handshakes. It will involve long-term commitments that parallel the cycles of forest growth. Interdependence will be the key, not just in financial terms, but organizationally as well. The provisions required to guide such a federal-provincial partnership *must be committed in a formal manner*, again to provide the strength and stability which have been so lacking in much of our national forestry effort. Thus, we set forth our proposal for a *Canada Forests Accord*, to bind both the process and the structure in tangible and mutually beneficial ways among all of Canada's Forests Ministers.

... the big need is for some structure that facilitates the multiple players. We have a three-by-three matrix: there are landowners, managers and researchers on one side and timber, wildlife and recreation on another. To manage the forest in a way that will be acceptable to the public of this country, you have to deal with more than the timber.

... I would argue that the technology we need to manage the forest resources exists right now... What is needed is a structure to allow that technology to work in the forest, rather than simply on paper. — Gordon L. Baskerville, Dean of Forestry, University of New Brunswick (Issue 11:6-7).

Without doubt, to fulfill its mission towards sustainable forestry development, the *single most compelling challenge* facing Forestry Canada is that of *achieving co-operation in Canada's forest sector between the federal and provincial governments*. Approached constructively, with a process and structure in mind as our Committee has recommended, we are confident that provincial governments will welcome the federal government's role, in recognition that their goals are complementary and mutually reinforcing. Federal leadership will count simply because of the *interdependence* needed, both to make real progress towards sustainable development on a national scale, and to establish the comprehensive planning process that must precede it.

That is another thing I would like to say about the Federal Department. In a sense, what we are trying to put together here in terms of a national forestry policy reflects what we are trying to do as a nation. We are trying to bring the partners together to show that there is a reason for having a common, federal, central government. It is needed to co-ordinate things and keep them going in the general interest of all. — Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:19).

RECOMMENDATION NO. 18 — The Committee recommends that the new federal Department of Forestry take the lead, in co-operation with the provinces and through the Canadian Council of Forest Ministers (CCFM), to design and implement a nation-wide program of public consultation about Canada's forests on a province-by-province basis, as a means of developing a national vision for sustainable forestry development, including but not limited to the following considerations:

- (i) That each province and territory be encouraged and assisted in developing separate vision statements about its own forests;
- (ii) That the CCFM be organized and resourced as the forum for building consensus from provincial and territorial vision plans towards a national forests strategy;

- (iii) That Forestry Canada prioritize its resources and programs in the support of such a national strategy, including federal-provincial cost-sharing, science and technology, forest inventory data, public education and awareness, and management planning for federal forest lands.
- (iv) That terms and conditions for federal-provincial co-operation in the long-term strategy towards sustainable development be formally specified and confirmed in a working document, *The Canada Forests Accord*.

3B. A NATIONAL FORESTS DATABASE

If there is one proposal for which the Committee has heard unanimous support, it is the need for Forestry Canada to take the lead in developing a *national forests information base and inventory system*. In terms of the country as a whole, there is a strong conviction that the foundation for future planning in forestry must be a common database of information for all to share, using the same techniques and the same numbers. As we have said earlier, *conflicts become much easier to resolve when all parties are viewing the same facts*.

The other thing I would say, is that we always focus in our inventories on trees and timber. We have to give equal balance and equal importance to whole ecosystems. — Herb Hammond, Professional Forester, Sierra Club of Western Canada (Issue 7:24).

... the database must also include resource values that historically have not been collected, like wildlife, fisheries and tourism. You cannot have a land-use strategy unless you know what you have — not just with respect to fibre, but with respect to all the other resources as well. — Kelly McCloskey, Vice-President, Association of British Columbia Professional Foresters (Issue 21:37).

Since most forest land in Canada is under provincial jurisdiction, most data regarding forests are also in provincial hands. The respective provinces and territories use different sampling schemes, which vary depending upon different land-use objectives. Accordingly, it has been very difficult to get consistent data and to make comparisons between provinces, or on a national scale. Further, when individual provincial data is lifted out of context, it tends to add confusion rather than clarity to the picture. This is felt to be one of the major reasons why provinces are reluctant to submit data to be used *in a national context*.

... we have our own set of numbers, they have their own set of numbers, and the two sets of numbers differ. — Mike Apsey, President, Council of Forest Industries of British Columbia (Issue 15:19).

The need for a current and comprehensive information base goes beyond merely developing a common language for stakeholders. It is fundamental to forest management that systems be available to show clearly the impacts of increases and depletions on the forest land base, and to provide understanding and predictability to the broad range of choices and effects of management actions. The need for more reliable data seems clearly apparent to all who are involved in Canada's forests.

No one can tell us what is out there. They cannot tell us in old-growth; they cannot tell us in second growth; they cannot tell us in merchantable timber; and they cannot tell us in saw-logs or hardwood. Nobody has a handle on

the problem. Until somebody does a proper audit, no one is going to be able to manage the forests. — Gerry Stoney, Vice-President, International Woodworkers of America (Canada) (Issue 20:26).

As the National Conference on Canada's Timber Resources held in Victoria recommended in June 1990, there is not only a pressing requirement to upgrade and enhance both federal and provincial inventory statistics, but it is also essential that those inventories be substantially expanded to include other forest resources such as wildlife, soil, and those less tangible values pertaining to recreation, culture and heritage. As well, that conference called for the involvement of a wide spectrum of special interest groups in the development of a newer and broader dynamic model of Canada's forest resources.

On the question of data, the forest industry collects a tremendous volume of forest information. The federal government has a responsibility to monitor the health of the forests and not just the timber products. In our brief we recommended that greater consideration be given to ecological site classification and the use of computer graphics to portray future forests, not only for timber but for other forest objectives. We have sponsored a number of projects, particularly the one in New Brunswick dealing with habitat supply analysis, using new forms of technology. — David Neave, Executive Director, Wildlife Habitat Canada (Issue 21:7).

This is consistent with the Committee's previous recommendation for a process to develop a national vision for Canada's forests through intensive public consultation. Only with very high standards of current information and knowledge, coupled with state-of-the-art technology to permit comparisons and predictions, can such a comprehensive path towards sustainable forestry development be followed. In fact, some feel that the inventory capability is absolutely basic to the future of forestry in this country.

Yes, if we could get that inventory, that would be, as Armstrong said when he landed on the moon, a giant step for mankind in Canada. I think it is a biggie... We are not going to do all of this immediately, but if we can concentrate on that one and get that one done, then I think the next step will fall into place. — Ken Williams, Chief Forester, MacMillan Bloedel Limited (Issue 11:56).

With modern computer science, particularly advances in geographic information systems, it is now possible to plot the sustainable harvest options for virtually *all of the forest resources*, providing that we commit ourselves to the development of such a system. Not only is it possible to have a coherent analysis of present resource availability, and to predict surpluses and shortages at both national and regional levels, but it is also possible through

such analyses to design management interventions that will actually bring forest resources to the *conditions of sustainability* which are being sought over long-term horizons. At present on a national scale, however, and to varying degrees in many provinces, the data being provided are rarely current once they have been compiled. For example, it is often necessary to go back to 1987 to find data that are in common form and currency across the country. Although it is difficult to measure forest change in less than five-year increments, nevertheless this does not seem acceptable for Canada's forest resources when circumstances are changing so rapidly, and when so much is expected of our forest managers.

... We at Forestry Canada have published, as a first effort, a booklet called "Forestry Facts". I am quite proud of it. I know Members will find it very useful. Let me readily admit I would prefer the statistics were more current. Most of the information dates back to 1987. Nevertheless, it is the best we have at this point. If anything, it points to the fact that we have to become more aggressive in getting more up-to-date information. — Honourable Frank Oberle, Federal Minister of Forestry (Issue 2:5).

Beyond the embarrassment it creates internationally, it is a commercial weakness, and should be the first priority of the new Ministry of Forestry — William Martin, Vice-President, Canadian Pacific Forest Products Limited (Issue 24:18).

Another example, which underlines the vital importance of better information and statistics, relates to forest fires. In the past year, we are told that more than \$400 million has been spent fighting forest fires in Canada, and yet it is apparently not certain whether those protection efforts were invested in all of the right places, or some of the wrong ones; whether the best cost-benefit priorities were used in directing the efforts, and so on. Obviously, control of forest fires is a science, and its effectiveness can be greatly influenced by the ability to make the right choices at the right times.

I start with research and end with statistics, and that is fire management statistics. There is a real need for Forestry Canada to take a lead role in accumulating and calculating national statistics, and in the development of a damage appraisal or value-at-risk system. — Allan Jeffrey, Director, Canadian Interagency Forest Fire Centre (Issue 10:35).

There is also an international perspective to a forest database. As we have recommended previously, the new Department of Forestry should have an extensive involvement in the search for international resource intelligence — gathering information on world trade, competitive forestry statistics, environmental criteria, new technology and

cost considerations. Such a continuing analysis of *forestry information from around the world* could have significant impact on our forest sector's competitive capabilities and on our influence in global markets. Conversely, Forestry Canada must also be capable, as a reliable source of current national information *about the forests of this country*, for maintaining exchange with the rest of the world.

The federal Department of Forestry should be Canada's lead agency in promoting sustainable forestry development on a global scale. In this context the management of Canada's forests should be carried out in ways that will not jeopardize the sustainability of the forests of other countries. Forestry Canada must be a model practitioner of sustainable forestry development in providing exemplary leadership along with tangible help to forest managers in developing countries. — Richard C. Goulden, Assistant Deputy Minister, Department of Natural Resources, Manitoba (Issue 20:9-10).

The Committee concurs with the consensus among our witnesses that a national forests database must become one of the leading priorities for action by the new Department of Forestry. In many ways, perhaps for the very reason that it does not have direct jurisdiction over most of the forest resource, there is a perception that Forestry Canada can be a uniquely independent and unbiased reporter, and that its role would add an important measure of impartiality and objectivity to a national forest information system. In fact, it seems likely that *if Forestry Canada does not take the lead in developing it, there will not be a national forest database in Canada.*

This will not be a simple task. Because 80% of Canada's forest lands are owned by the provinces, the co-ordination of their data into a national inventory system will be essential, and will require utmost co-operation and skilled negotiation. Some provinces consider such information to be proprietary and are reluctant to release it publically. However, a national system should entail *benefits for all participants*. Otherwise, without total support from throughout Canada's forests sector, it would likely prove to be a cost-prohibitive undertaking.

In the context of Forestry Canada's own *mission* to achieve sustainable forestry development, *the need for knowledge will be paramount*. In the same manner that *economic and financial indicators* are so common and critical to almost everything we want to manage, so also will the *new indicators for sustainable development* become essential as they are translated into public policy. *If it cannot be measured, then it cannot be managed, and the mission will fail!*

RECOMMENDATION NO. 19 — The Committee recommends that, as an immediate high priority, the new Department of Forestry lead the development of a co-ordinated national forest database and inventory system, to be applicable to all forest resources, in a manner that will consolidate the best of existing provincial systems into a comprehensive national model on which future forests data technology improvements can be built.

3C. PROFESSIONALISM : EDUCATION, PUBLIC AWARENESS

The spirit of professionalism in forestry is critical to the confidence of Canadians in the future of their forests. Therefore, it is significant that only recently, at a national meeting held in Fredericton on August 21, 1990, the Canadian Federation of Professional Foresters' Associations decided to develop a *national standards code* for professional management of the forest resource. This move towards enhanced professionalism in our forest sector is a positive one, and follows the initiative of some provincial foresters' associations such as that in British Columbia, where the task of drafting standards for professional forestry practices has begun. Undoubtedly, these are directions which will strongly influence the mission towards sustainable forestry development in Canada, and therefore will be deserving of Forestry Canada's support on a national basis.

Foresters need also be concerned with the quality of their forestry practices. Are current practices adequately protecting the environment, forest soils, rivers and creeks, aesthetics, wildlife and fisheries? Difficult questions — but valid questions requiring an answer, and a challenge for Forestry Canada. — Canadian Institute of Forestry, (Written brief to the Committee, February 14, 1990, p. 8).

There can be no doubt that the future agenda for forestry in Canada will increasingly require professional regulation of forestry practices. While recent initiatives by the profession are laudable, nevertheless in many quarters they are perceived to be late in recognizing enhanced responsibilities. The profession has become increasingly criticized for not adequately enforcing standards of practice among its members. The profound change in how the public views its forests — from a generator of wealth to an environmental resource — has led to unprecedented public attention on professional foresters, and there is increasing pressure for them to improve their approach to self-regulation of forestry standards and practices.

The other thing I would mention is that our Association recognizes the difficulty we face with respect to practice. Our Association, like most professional organizations, started as a registering body, and many members felt for a long time that we should restrict our activities to only licensing practising foresters, so that we would see that they were qualified and that they were continuing in their education to remain competent. It is becoming increasingly difficult to remain outside of the question of practice. It is obvious from the comments that are being made today that there are serious questions about practice, and what position our Association should take. — Norman Godfrey, President, Association of British Columbia Professional Foresters (Environment Issue 33:41).

At present, the forestry profession is self-regulating in only five of Canada's provinces: New Brunswick, Quebec, Ontario, Alberta and British Columbia. Of these, only two require foresters to be licensed before they can practice forestry: Quebec and British Columbia. The others are empowered only to certify foresters as having fulfilled certain requirements of training and education. This seems to be an inconsistent approach across the country, and actions taken to balance high standards of professionalism in every province will be a powerful way of improving the entire level of forest management credibility in Canada. The Committee feels that the new Department of Forestry can help to encourage and motivate the pursuit of professionalism in a number of ways, and in fact the new Act (Bill C-29) makes reference to the establishment of national standards.

RECOMMENDATION NO. 20 — The Committee recommends that Forestry Canada, in co-operation with the Canadian Federation of Professional Foresters' Associations, assist and facilitate the development and enforcement of national standards for professional forestry practice.

Partly as a result of declining enrolment at forestry schools, Canada is facing a *shortage of well educated professionals*. Most provinces now have insufficient numbers of trained people to do the kind of work that will increasingly be involved with more intensive management of the whole forest. We are told that Canada has fewer foresters per unit of forested land than most other forest countries. For example, we understand that in Sweden a forester may be responsible for about 10,000 hectares of forest, while in New Brunswick that same forester is responsible for 180,000 hectares. As well, the Swedish forester would generally have two other professionals and perhaps as many as ten technicians to assist him.

There is a paradox here, because many current graduates in Canada are *unable to find jobs*. The answer appears to lie in the intensive nature of forestry when truly practiced for sustainable development. It seems certain the future application of that concept will entail dramatic increases in opportunities for well-trained foresters and technicians.

I would like us to meet a target of training expertise in order to meet the needs of the Canadian forest sector, at least doubling the number of professional foresters graduating from our universities five years from now.

— Honourable Frank Oberle, Federal Minister of Forestry (Issue 2:7).

Some of the reasons which have been given for the serious decline in enrolment rates at forestry schools pertain to presently *scarce job opportunities*. Other reasons are even more disturbing, because they involve a *negative perception of foresters and forestry*.

We are getting a very clear message back, and it is a consistent message, that the reason students are not going into forestry is that the sector has such a bad public image, and secondly that the economic stability of the sector is uncertain. That translates into rather uncertain employment prospects, as you can appreciate.

The focus on issues like clear-cut logging, the wilderness areas and so on, has left the clear impression that foresters are the ones who are responsible for that, and therefore they do not want to associate with it. The public does not see that if we want different things out of our resource, in fact foresters are uniquely positioned to make sure that we can get different things out of the resource. They are the young men and women who are being specifically educated to meet society's needs and demands. That understanding is not clear at all. — J.R. Carrow, Dean of Forestry, University of Toronto (Issue 1:45-46).

What a shocking surprise to hear such words when, in reality, forestry should offer the greatest promise of all, because it is so fundamental to our Canadian existence. Part of the problem may be a perceived lack of opportunities. Yet, if we are to be persuaded by the Swedish example and by the relative potential in forest yields between our two countries, then the need for intensive integrated management of Canada's forest resources would really seem to imply *many more professional opportunities, not less!* We are inclined to believe that *when integrated management for sustainable forestry development gets established in the woods of Canada, there will be an abundance of good jobs.*

RECOMMENDATION NO. 21 — The Committee recommends that Forestry Canada, in co-operation with Canada's professional and technical forestry training institutions, encourage and help to support a high standard of multi-disciplinary education and training for a full complement of human resources to meet the needs of the forest sector in pursuit of sustainable forestry development over the years ahead.

One of the most difficult problems in maintaining *public confidence* in forests and forestry in Canada, is the relatively *low level of awareness among Canadian citizens about forestry issues*. Throughout our hearings, the Committee was reminded of the importance of two-way communications and information programs *to exchange the facts about forestry* with the general public. Clearly, efforts thus far have not succeeded very well in relaying the complete message to Canadians, or of obtaining their views in return. As a result, many voids have been left which confuse one issue with another, and frequently create myths which have no factual basis at all.

The federal government is obliged, we believe, to counter many of those popular myths associated with forestry in Canada, and because they have the research scientists they have the scientific fact, and those myths should be countered by the presentation of scientific fact. This is where we feel that, again, those research scientists have the ability to talk to the public.

— R. Marie Rauter, Manager, Ontario Forest Industries Association
(Issue 23:13).

In many cases, these misperceptions have helped to fuel conflict and confrontation. Lack of awareness leads to lack of understanding, and extreme positions quickly develop from there among stakeholders on all sides.

...the Department should develop an appropriate and comprehensive program of public information and education about the forest sector and the role of the various stakeholders in the resource. There is a world of misinformation and misconception among many parts of the general public that is presently a powerful obstruction to ensuring the political support essential to carry out the acceptance and implementation of the essential roles and objectives. — J.R. Leach, President, New Brunswick Forest Products Association (Issue 24:35).

Increased funding and support in the area of communications and public awareness must therefore be an important aspect of the programs of Forestry Canada. Indeed, forest regulation cannot be implemented by any Government *without public understanding* about the necessity for it and the benefits from it. Since the public owns the resource, governments can only act as trustees. In reality, they can make lasting changes only if the public is convinced they are needed, and willing to support them.

If the public cannot be helped to ask the right questions, it is never going to get the right answers and the debate will go on without end. Again, the federal Minister and the CCFM can help in communicating these facts.

— William Martin, Vice-President, Canadian Pacific Forest Products Limited (Issue 24:21).

The consensus was clear among our witnesses that the new Department of Forestry has a significant role to play with regard to public information and awareness. For example, there was a strong opinion that forestry knowledge should be introduced in school curricula with the goal of *developing a forest land ethic in young Canadians*. As well as stressing the environmental values of the forest, it was emphasized that we should promote, and not

apologize for, the profound economic contribution which forests make to our lives. In fact, there are many strong feelings that forestry should first of all be commended to the public for the legitimate timber harvests that benefit all Canadians to such a significant extent.

To be effective, however, public awareness programs should involve consultation and collaboration with a broad cross-section of stakeholders, so that the messages are not only concentrated in the most telling manner possible, but more importantly that they are consistent and credible.

We must educate the public — I would think this is a role the federal government could play on these issues — and gather the information that is necessary. We need an objective data base, as objective as possible. We realize that is very difficult. People have different views on it. But I think with the rise of environmental concerns, environment has to play an increasing role. — Vicky Husband, Director, Sierra Club of Western Canada (Environment Issue 33:19).

RECOMMENDATION NO. 22 — The Committee recommends that, in collaboration with the provinces and all other stakeholders in Canada's forests, the new Department of Forestry conduct substantial annual programs of public communication designed to make Canadians at all age levels more factually and consistently aware of the broad range of issues pertaining to forests and forestry in Canada.

The foregoing discussions about professionalism, education and public awareness are very much interdependent. Each of them bears a significant relationship to *public knowledge and confidence in the stewardship of our forest resources*. As performance and public knowledge increase, so also will the level of confidence. In time, as education and training of foresters gains momentum, so also will increased respect develop for the profession. At its peak, nothing will speak more strongly for sustainable forestry development, than will *the commitment to professionalism*.

3D. INVESTING IN PRIVATE WOODLOTS

If there is any single group with the potential to become *Canada's forest stewards*, it would probably be the individual owners of Canada's 425,000 private woodlots, which constitute about 17 million hectares of forests and comprise approximately 6.5% of the country's productive forest land base. The majority of these holdings are situated in central and eastern Canada, but are also significant in some parts of western Canada. Owing to their proximity to industrial mills, the economic importance of wood production from these lands is relatively significant.

Indeed, in many provinces, private woodlots are an important part of the wood supply. In Quebec, for example, woodlots represent only 9% of the productive forest land and yet, each year, supply 22% of the fibre and timber needed for that province's wood industry. The annual harvest on private woodlots in Quebec yields a final process value of more than \$1.5 billion of forest products, resulting in the order of 10,000 direct and indirect jobs, with purchases of related goods and services exceeding \$400 million.⁵¹ Overall, this represents a significant contribution to the Quebec provincial economy.

Although many woodlot owners take considerable pride and interest in their properties from environmental and aesthetic points of view, nevertheless the principal force driving the development of the woodlot sector is the economic value of forest fibre and other timber products to be harvested on a sustainable basis from their lands. Because of the traditional place which they have held in the wood supply equation of many provinces, and given the growing importance of every long-term source of supply to the future of forestry in Canada, both government and industry have a key stake in the biological health and the commercial viability of private woodlots.

Over recent years, our administrators have managed to negotiate 18 long-term contracts with industry. That provides the industry with something close to 2 million cubic metres annually. We have another 2 million cubic metres of wood that is sold to industry through short-term contracts. — Victor Brunette, Director, Fédération des producteurs de bois du Québec (Issue 8:8).

Clearly, it seems, the most important role that Forestry Canada can play in the woodlot sector is to share in the costs for silviculture. Most witnesses from woodlot associations stressed that this was a critical need, and the Committee explored this necessity for support with them, particularly in light of the fact that larger forest industry landowners seem willing and able to purchase and manage forest lands without help from the public purse.

While not a precise economic analysis, it was explained that particularly those companies which integrate woodlands with processing facilities are able to treat the costs of growing wood and managing forests as an expense of doing business, *with the profit centre in the processing facility and not in the growing of wood*. Additionally, of course, there is the widely held perception that Crown land is not adequately priced in terms of stumpage fees, so essentially it is claimed that industry pays less than it should when purchasing Crown wood. In fact, it is strongly suggested by the woodlot owners that it is this *under-valuation of Crown wood* which artificially distorts the competitive price available to woodlot owners, and makes their financial returns insufficient to justify intensive management investment in their lands.

Traditionally in this country we have developed our economy on the notion that we have free resources out there, be those fish or minerals or forests; and the job of government historically has been one of making sure that those resources continue to be available either free or at very low costs. We are learning that growing and caring for forests is an expensive business. As private owners of forests, not only do we have to cover the costs of both production and of growing trees — the growing costs include both the silviculture investment and the costs of protection — but we also need some kind of financial return for the investment in our land. You can think of it in terms of the opportunity costs, of the money that is tied up in the land; you can look at it from a number of points of view in an accounting sense, but there needs to be some financial incentive there.

From a financial point of view, woodlot forestry does not justify investment in forest management. — Peter deMarsh, President, Canadian Federation of Woodlot Owners (Issue 9:39 and 47).

Therefore, to put the situation as the woodlot owners see it — governments inherently subsidize forest management costs on *Crown lands* in order to create jobs; large companies distort accounting of forest management costs on *industry lands* as a basic supply to their own mills; and thus, to create a competitively level playing-field, there must be help to finance forest management costs on *private woodlots*. In the absence of such help, the prices being paid for woodlot timber harvests simply are not sufficient to support forest management. In fact, this situation even leaves ownership of the land questionable in terms of return on investment.

Efforts invested by woodlot owners in fibre production are poorly rewarded, based on historical treatment of raw fibre, for which the cost in British Columbia has, in common with other parts of Canada, been merely the cost of getting the fibre from the stump to the mill. When we talk about equitable

returns for effort, that type of cost scenario does not fit with rewards of growing timber. — Peter Sanders, President, Federation of British Columbia Woodlot Associations (Issue 9:10).

There are certain other circumstances faced by woodlot owners, in terms of their ability to invest in their forests, that are not shared by other, larger forest owners such as government and industry. It is well known, for example, that the rotation age of forests exceeds the average ownership period and frequently the lifespan of most woodlot owners. Other limitations include: (i) an inability on the part of most woodlot owners to finance forest management, (ii) the nature of the marketplace, whereby woodlot owners are small-scale sellers and customers are large-scale buyers, and (iii) the fact that in many regions woodlot owners cannot sell all that they can grow. Such conditions help to discourage any incentive for investment in woodlot forests.

One of the particular problems we have in New Brunswick relative to the management of small woodlots relates to senior citizens who own woodlots. They may own 100 or 200 acres of land and they hesitate to cut the land, because if they do, the income must be reported on their form for a supplement on the old age pension. If they report a particular income, it could be that unless they know about capital gains and they come in under that one, they will lose their supplement for the next year, or possibly longer, because of this one-shot deal. Even if they do know about capital gains and they clear their woodlot, what is going to happen is that people will clear the woodlot in one year rather than looking at it as a long-term investment, something that should be cut over a period of years. A change has to be made in the tax laws relative to private woodlots and to the kind of income they accrue, to encourage their proper development. — Honourable Morris V. Green, Minister of Natural Resources and Energy, New Brunswick (Issue 22:11).

One of the success stories resulting from the Forest Resource Development Agreements has been the application of some of these funds to private woodlots, and the positive results in terms of woodlot regeneration and stand-tending efforts. The continuation and expansion of these FRDAs is seen to be essential to the future of the woodlot sector, even though the owners have some recommendations for improvements. For example, no assistance is provided by the FRDAs for *harvesting*, which is termed *the single most important management tool with which a forester has to work*. Rather, the majority of funds have been allocated to *reforestation* operations. While these are important activities and should continue, it was suggested that more emphasis should also be placed

on improvements to *existing forests* and on *forest management planning*. In the spirit of sustainable development, assistance which promotes and preserves *woodlot diversity* was also recommended.

We do not have a problem with reforestation or regeneration. Our problem might be in getting the right touch of regeneration. To do so you adjust your harvesting techniques. This is the whole basis of professional forestry. The whole science of silviculture is using harvesting as a tool to manipulate your forest through its development stages. The profession as a whole seemed to have gotten away from it. — Ken Vasiliauskas, Member, Board of Directors, New Brunswick Federation of Woodlot Owners (Issue 8:26).

A program in Quebec known as the *Plan de l'est* received positive comments from a number of witnesses, who saw it as an example of co-operation with the woodlot owners of the eastern regions of Quebec. The program is designed to be adapted to the specific needs of woodlot owners in that area, and is delivered by the owners themselves, with only limited participation from the federal government.

The Eastern Plan agreements program was set up in 1984. It is a federal program available to producers in eastern Quebec and is very well adapted to the needs and expectations of private woodlot owners. — Jean-Luc Bilodeau, Chairman, Fédération des producteurs de bois du Québec (Issue 8:12).

While witnesses placed much emphasis on direct financial assistance to woodlots for forest management activities, they also proposed several methods for providing indirect assistance, that in some ways would be every bit as important. Most frequently mentioned was *tax reform*, to provide credits and rebates for forest management investments, similar to farm credit programs, as a means of encouraging the operation and intensive management of private woodlots. This is a subject for Forestry Canada to examine in depth, with both the Departments of Finance and Agriculture, to determine if there are parallels of interest which would justify special tax programming.

When the time comes to decide what to do with the forest, whether to sell stumpage directly to industry or to a contractor, or else to do the work by oneself and sell pulpwood and logs at the roadside, the woodlot owner is faced with a tax problem. If one sells the whole farm or woodlot, it is likely to be free of capital gains tax. It becomes a net income. If the woodlot owner

operates on a sustainable method, one has to pay income tax on the work portion he puts into a cord of wood, and also on the base value and the stumpage of the wood. — Victor Brunette, Director, Fédération des producteurs de bois du Québec (Issue 8:9).

In Ontario, the managed forest rebate has to some extent, or perhaps to a large extent, covered the property tax question in that there is a full rebate for property taxes. In the area of income tax, whether it is capital gains or income and so on, there is, I think, a great need to reform and improve that and clarify it, because private land owners cannot get a clear picture of where they sit relative to whether they should cut this or do that. It is very unclear. — Bob Staley, President, Ontario Forestry Association (Issue 8:34).

In economic terms, the pivotal issue for private woodlot owners is: their perceived *competitive selling price disadvantage*, or the absence of a competitive market for their products, caused by the seemingly lower costs of wood supply from both Crown lands and large industrial freehold forests, not to mention the economy of larger scale on those lands. Perhaps the most immediate and telling action that Forestry Canada could take would be a meaningful research project *to determine the relative values of forest lands in various ownerships*, particularly the comparative levels of competitive selling prices for wood, and the reasons for the differences.

There seems a serious dichotomy here, in the sense that industry vigorously proclaims stumpage rates as being *too high*, while there is a simultaneous and widely-held notion outside industry that governments are in fact selling crown wood at prices much *too low*. Obviously, the issue involves *creation of jobs*. It also involves serious questions in *our trading relationship with the USA*, where a *Memorandum of Understanding (MOU)* now exists for an *export charge* or equivalent sanctions to remedy perceived subsidization of forest management costs on Crown lands in Canada.

A professional analysis of these relative woodlands values, and the questions which they raise, would be a service to the forest sector right across the country. It would provide a factual foundation for reviewing economic policies as they pertain not only to woodlots, but to all segments of the forestry business. Possibly, it might also reveal an answer to the inherent question at the core of government policies with respect to *private woodlots* — to what extent should they be considered as *public resources*?

Economists, politicians, civil servants, industrialists and woodlot owners in Quebec are debating the stumpage value of the wood. Industrialists will now recognize that there are inequities between the sellers and the buyers, since

the provinces... have not always asked the right price for standing timber, so the private woodlot owner has to tag along. More realistic stumpage value would be to recognize the true value of standing trees.

The Federation has developed a position on the value of timber products, which is substantiated by research we did recently for private woodlots. This research was performed by the University of Laval. Study shows that generally, just on the harvesting portion, woodlot owners are losing \$10 on every cord of wood they sell to industry, and that is not counting the value of stumpage. — Victor Brunette, Director, Fédération des producteurs de bois du Québec (Issue 8:10).

RECOMMENDATION NO. 23 — The Committee recommends that the new Department of Forestry immediately undertake a national research project to determine the comparative and relative values of forest lands, and the market pricing of their timber harvests, with a view to identifying anomalies between Crown lands, large industrial freehold forests and private woodlots on a regional profile across the country, all as a basis for reviewing public economic policy with respect to forest lands.

While most woodlot organizations deal primarily with provincial governments in their respective locations, a special dialogue has recently been developing directly with Forestry Canada, as the Canadian Federation of Woodlot Owners has been taking shape as a national body. There are benefits for both government and industry in maintaining effective partnerships with woodlot owners. The investments which Forestry Canada has made through the FRDAs programs, and even directly to help fund annual meetings and extension seminars, should ultimately pay dividends in terms of improved management of important sources of wood supply. The relationships between woodlot owners and governments are not seen as being one-sided, but rather are *true partnerships* in which the woodlot owner makes land available for purposes that go beyond just monetary benefits, while governments share in providing dollars to help manage those lands into sustainable productivity. The woodlot owners do, of course, provide the care for the land, and their organizations are the most effective means for delivering woodlot forestry programs across the diverse regions of Canada.

Departmental policy should be tailored to complement regional diversity, not hamper it. There are often enormous differences in regions, be they biological or social. But whatever the department does, it must recognize that there are these differences in place, and be ready to deal with them. The department should develop and maintain good communication with

woodlot owners through their representatives on both national and regional levels, and ensure an opportunity for involvement of owner groups in the planning and development of the strategy. — Ken Vasiliasuskas, Member, Board of Directors New Brunswick Federation of Woodlot Owners (Issue 8:23).

Finally, the Committee has been impressed by a spirit of woodlot forestry that transcends merely economic considerations, and goes to the heart of the social fabric of rural Canada. More than one witness pointed out that the practice of woodlot forestry is much like the practice of agriculture, literally *a way of life*, on which a great many Canadian communities are dependent. A large number of woodlot owners also sense a responsibility to their communities, and they are committed to the wise and careful management of their forest resources so that their communities will survive, as well as themselves. The challenge is to ensure that the reverse also remains true.

But for people concerned about the forest, I think you can and should also reverse that logic: what role does sustaining community have in contributing to sustaining the forest? The first time around we talked about sustaining the forest in order to sustain the community. The equation can be reversed. There must be a constituency that is deeply committed to the survival of working forests, or in the long run it is simply not going to happen. — Peter deMarsh, President, Canadian Federation of Woodlot Owners (Issue 9:41).

RECOMMENDATION NO. 24 — The Committee recommends that Forestry Canada, in partnership with the provinces and the Canadian Federation of Woodlot Owners, establish and maintain a comprehensive, long-term program for woodlot management in Canada, including but not limited to the following considerations:

- (i) That special long-term provisions be designed in federal-provincial FRDAs for direct application to woodlot development and management on a rational co-operative basis;
- (ii) That continuing consultation be conducted with the federal Departments of Finance and Agriculture and with the appropriate regional development agencies to design and implement effective tax reform measures to encourage woodlot management;
- (iii) That assistance and encouragement be provided to foster the development of woodlot owner organizations across Canada, with a view to using them as effective vehicles for delivery of woodlot management initiatives.

3E. CONCLUSION: PARTNERSHIPS IN ACTION

The message of this Report can be summarized succinctly: *there is a powerful federal role to be played in the forests of Canada!* However, it must also be clear, *the federal role cannot be played alone!* Rather, sustainable forestry development will be accomplished in Canada only through *close partnerships in action!*

The first partnerships must be with *the provinces and the territories*, with each one separately to be sure, but also with them as a group through *the Canadian Council of Forest Ministers (CCFM)*. In the Committee's view, as we have endeavoured to clearly express, the concept of sustainable development in itself implies an approach to forestry that must transcend individual concerns, be they those of the provinces or of the federal government, *in favour of joint commitments to our national and global responsibilities*. While the provinces will retain autonomy over their forests, Forestry Canada must show the leadership influence needed *to achieve a coherent national strategy*. Any plan that is a patchwork quilt of fragmented and differing approaches will not bring us to sustainable forestry development. In fact, a divided plan will seriously prejudice our legitimate forest goals as a country. *That is why consensus through the CCFM is crucial!*

To repeat, the very concept of sustainable development makes all of the parties interdependent. Just as neither economic views nor environmental views can prevail alone, provincial views and federal views cannot be mutually exclusive. *Sustainable development endorses the principle that all interests must be reconciled*. Only by such a comprehensive approach will Canada be able to address the global opportunities and responsibilities in forestry that will face us in the decades ahead.

What means does the new Department of Forestry have available to nurture its *partnerships* with the provinces? *How* will the federal influence be exerted in *meaningful ways*?

The Committee feels that there are at least three main areas where Forestry Canada has a significant *partnership* influence to offer to the *provinces*: (i) the provision of competitive and usable *scientific knowledge and technological expertise*; (ii) the provision of *financial assistance* for attaining joint federal-provincial forest management objectives; and (iii) the exercise of *moral suasion*, through such initiatives as the Minister's Annual Report to Parliament, inter-departmental relationships with other departments such as environment and fisheries, investments in public programs for forestry awareness and professionalism, leadership towards a Canada Forests Accord, and demonstration of good forest management on federal lands.

If Forestry Canada has the database, it has the research capability, it has a certain amount of land under its jurisdiction that it can influence forest management practices on. It can do demonstration projects on those lands. The success stories and failures from there can serve as an inspiration to provincial governments and private industries. They can serve as the basis for encouraging and funding demonstration projects in other jurisdictions. If the provincial governments are looking to Forestry Canada for research and data and everything else and they see you doing something that is working in terms of a demonstration project or a forest management practice or whatever, everybody wants to copy a winner. But we are not going to find something that is going to solve all the problems in six months because we are talking about decades in terms of time horizons.

— Paul Griss, Executive Director, Canadian Nature Federation
(Issue 19:24).

Used properly, these means can be powerful motivators. However, they also have limitations, and must be advanced with responsibility and good judgement. The use of conditional funding of forestry activities, for example, has enabled Forestry Canada to wield some effective influence with the provinces, but it has occasionally resulted in tension and even conflict when the conditions of assistance have been perceived to be excessive or applied with a heavy hand. Indeed, provincial resistance to conditional funding has been identified as one reason for the failure of some federal policy initiatives in the forestry sector over past years.

The challenge for Forestry Canada is to approach the provinces and the territories in a true *spirit of partnership*. Together, the parties have profound contributions to make to Canada's forests, and *partnership must be the guiding principle* for their relationships.

... we want to ask the provinces to help us decide on the role of the concept of co-operative federalism, and we will play it with their consent.

— Honourable Frank Oberle, Federal Minister of Forestry
(Issue 13:14).

The concept of *partnership* must also be applied in Forestry Canada's relationship with *industry*, as obviously the economic values of our forest resources will always be leading considerations in national forest policies. It is simply not conceivable that Canada will be able to *diminish its economic dependence* on the forests. In fact, there will be compelling pressures to *double or triple yields per hectare* to emulate Swedish accomplishments, or to increase the number of *jobs created per unit of timber harvested* as reported in the U.S.A.,

where the American performance is stated to be twice as good as that in Canada. Of course, in the process of accomplishing these advances, increased availability of forest resources *for other uses* will have to be generated simultaneously.

There are several *means* available to Forestry Canada to maintain and enhance close relationships with *industry*. These include the sharing of *usable science and technology* in co-operative undertakings, both separately with industry but also with the provinces, such as the urgent development of a *national forest database and inventory system*. Consultation through such bodies as the Forest Sector Advisory Council will continue to provide valuable linkages, as will joint participation in committees to *improve international trade strategies*, such as Sector Advisory Groups on International Trade (SAGIT). There will be vital collaboration with industry in areas of *wood products development, environmental assessment review processes and public education and awareness* programs. Perhaps most of all, there must be continuing and critical *dialogue* with respect to the new realities and imperatives of *integrated resource management* for multiple uses, as the process towards sustainable forestry development in Canada moves forward.

The one-window approach we have recommended to the minister involves either the federal or the provincial government in each case ceding the regulatory authority on a sort of contractual basis to the other party, so that in fact industry faces one regime, both operating on the same basis and keeping both informed. — Howard Hart, President, Canadian Pulp and Paper Association (Issue 3:16).

One of the most important *partnerships* will be with the *forestry profession*. As we have discussed, there is a welcome new sense of professional responsibility among Canada's foresters, and they are striving to take their place in the vanguard of stewardship as the primary custodians of our forest resources. New initiatives towards enhanced professionalism deserve strong support, and the Minister of Forestry has already indicated his commitment to help advance this cause on Canada's forest scene.

These must include stronger support for professional education, and enhanced teaching and research capabilities at forestry schools across the country. The prospect of innovations, such as a more stable and long-term co-operative research funding program, will be an effective *means* of building both professional and educational *partnerships*.

The *woodlot owners* pose a unique *partnership* challenge. They require assistance for their very existence. The challenge of economic viability for Canada's woodlots must be resolved, and if the problems contributing to unprofitability cannot be overcome, then in fact the *means to that partnership* must be by shared investment contributions in silviculture and perhaps also by help with more effective marketing measures. There is a special way of

life represented by the majority of woodlot owners, and there is much for Canadian forestry to gain from it, not just in terms of timber but also about *sustainability of communities and rural values*.

One of the most complex and dynamic *series of partnerships* will be with *groups and organizations* representing individual citizens in a wide variety of ways. These will include *environmental advocates, wildlife federations, community forest boards, labour unions* and many other such forums representing *ordinary private Canadians*. The *means* to these *partnerships* must be by way of comprehensive public consultations, preferably in collaboration with the provinces towards a comprehensive Canada Forests Accord. The Committee has been reminded on several occasions of the massive shifts in public attitudes to and opinions on the importance of the environment in a broad sense, and about the role of our forests in particular. New ways must be found to communicate with the public and to increase public awareness and involvement.

Two special partnerships stand out which touch on the very *spirit of grandeur* to be found in our forests. The first will be with our *Native Indian Bands*, in every region of Canada, to ensure through direct and comprehensive forestry development programs that those citizens who are most in harmony with the natural forest will fully participate in, and benefit from, the potential of the forests for their future.

The other special partnership must be with *the youth of Canada*, for whom the forests are now held in trust and to whom the mantle of future stewardship must eventually be passed. *Sustainable development is a concept for all generations to come*, and its principles must be cast within our very instincts. That can only be accomplished by creating a deep and lasting appreciation of the forest spirit early in life — *the spirit of both economic and environmental grandeur which our forests capture for Canada* — and it must be maintained by education initiatives both at home and in school. It should also be nurtured *in the forests*, and the opportunities are vast for youth groups of all types to participate in a wide variety of extension activities in every forest region. Both federal and provincial forest departments, as well as industry, would benefit greatly from such inter-change with Canada's youth, and many such programs already exist with 4-H Clubs, Junior Forest Wardens and others, particularly in rural communities.

Therefore, the first priorities to be met in the determination of our forest objectives are to understand: *What do Canadians want from their forests? How can those goals be achieved with sustainability?*

We should not forget that, because most forests in Canada are publicly owned, it is *the public* who must be convinced that timber values *can* be realized *in concert* with general forest values and other environmental disciplines.

... The public is these days challenging the right of industry and the rights of government to utilize the forests for private profit or benefit. They have started to question the merit of exploitation in the old style.

— Robert Carswell, Chairman, Wildlife Habitat Canada, (Issue 21:6).

Finally, perhaps the most obvious and compelling partnership for the Minister of Forestry will be with his *Cabinet colleagues* in Ottawa. Without their strong support and co-operation, Forestry Canada will become a toothless tiger. The *means* must be found in the *mandate*, because as we have said more than once in this Report, *unless Forestry Canada is endowed from the start with the strength and stature to complete its mission, it should not be authorized to embark upon it.*

Witness after witness has emphasized that the Minister of Forestry must have strong influence at the Cabinet table, consistent with the importance of Canada's forest sector to both our economic and environmental ways of life. In almost every view, to have anything less would reflect a misunderstanding of what forestry means to this country, and would be a miscarriage of the mandate which has been conveyed to Forestry Canada at this time.

... We strongly believe that Forestry Canada must have a significant role at the federal Cabinet table. This is an important step for this country, because we are maturing as a forest nation. — Mike Apsey, President, Council of Forest Industries of British Columbia (Issue 15:6).

We are concerned. We think that in the mandate and in the terms of reference provided to us, there should be a strong voice for the forest industry at Cabinet. It should not be a shadow type of a Ministry that has no budget, no staff, no resources or no backup legislation to provide for those things. It should include forestry concerns and all policy-making meetings such as monetary, fiscal, trade and employment, which all reflect the needs of the forest industry. — Gerry Stoney, Vice-President, International Woodworkers of America (Canada) (Issue 20:27).

The ultimate challenge of all these *partnerships in action* will be to mould a *cohesive and coherent process of consultation, dialogue and communication*, one that will result in a *consensus for Canada's future vision of sustainable forestry development*. That is the formidable mission on which Forestry Canada must embark, if it is to lead Canada's forest sector into the 21st century. Because it will be a forest world very different from the one we have known even recently, long-term perspectives will be critical. There is a strong base of evidence from the hearings of our Committee to demonstrate beyond any doubt that a *national vision statement for the future of our forests must be an essential prelude to any effective management action in pursuit of sustainable forestry development.*

To determine the optimum mix of these off-setting recommendations, and to deal with other factors such as timber tenders, silvicultural practices, significantly increasing local public input into the forest management process, and determining what constitutes truly sustainable forest management, requires no less than a full nation-wide public inquiry on forestry. — Grant Copeland, Director, Valhalla Society (Environment Issue 33:13).

Earlier in this Report, we have set out our specific proposals for such a national process of consultation, to be based on initiatives which have already been taken in the provinces, and to be brought together across the country with Forestry Canada leadership through the Canadian Council of Forest Ministers. Further, we have recommended that such a process have, as its specific objective, *a vision statement* for all of Canada's forests which would be entrenched in a formal federal-provincial document, *The Canada Forests Accord*.

That is one way in which we see the prospects for *concrete action towards sustainable forestry development*. In our view, that would truly represent *Canadian forestry partnerships in action*. With the CCFM as the structure, and the Canada Forests Accord as the working document, we believe the means would exist to make that partnership effective and enduring.

More fundamental to that is a vision. We really do not have a vision of sustainable development that is concrete. It is all very loose and fuzzy. What do people in Canada really want from their forests? ...Then there is the mechanism of public consultation. We really do not have a good one. ... We need a strategic plan.

This country, and each province in the country, is faced with no single option. We have a whole flock of options, but we still do not have a process which works... The Canadian Council of Forest Ministers ought to have a good solid role in this... — F.L.C. Reed, Chair of Forest Policy, University of British Columbia (Environment Issue 33:76-77).

While no effective *national process* has yet been fully developed or implemented towards a forestry vision for Canada, *a number of initiatives have been taken* which are worth reviewing, even briefly or at the risk of repetition. They represent important seeds that have been sown, and in any national process it will be important to build on the work already being done.

As previously mentioned, we have been impressed with the potential for sustainable development from the vision planning process of the *British Columbia Forest Resources Commission*. Established in June 1989, this is an independent and permanent commission

created for the express purpose of making recommendations to the provincial Minister of Forests about the forest lands of British Columbia. As we have stated, it does not seem far-fetched, in fact it seems eminently sensible, that this Commission will prove to be a very effective structure for developing a consensus in British Columbia about the key sustainable development issues pertaining to the forest resources of that province. A key aspect of the commission's work is that it is developing an ongoing process of public dialogue, and reporting regularly to the Minister with recommendations for changes in forest management practices, as the needs become evident.

Similarly, *Manitoba's Draft Forest Strategy* is currently underway through a process of intensive consultations, based on what that province has embraced as ten fundamental principles of sustainable development: integration of environmental and economic decisions; stewardship; shared responsibility; prevention; conservation; recycling; enhancement; rehabilitation and reclamation; scientific and technological innovation; and global responsibility.

In some provinces, planning and licensing requirements for crown land leases provide for a significant amount of public input, and to a large extent help to facilitate the reconciliation of competing interests. For example, the *New Brunswick Crown Lands and Forests Act* calls for a totally integrated management regime touching upon saw-log and fibre harvesting schedules, intensive silviculture, insect and fire protection, wildlife management, recreational access, ecological reserves and most other factors at work in multiple-use management of the forest. In *Ontario*, the *Forest Management Agreements* contain requirements to obtain public views and address public concerns in the context of each five-year operating plan. These kinds of present policies and procedures certainly have started to move the forward planning process towards sustainable development in substantive ways, but much remains to be done.

Some constructive initiatives have been taken by the forest industry: one interesting example is the *New Brunswick Forest and Environment Awareness Committee*, which represents a conscious effort by the forest industry of that province to improve communications among all forest users and stakeholders. It comprises a provincial steering committee and five regional committees, with a focus on local issues. Its deliberations frequently result in recommendations to the provincial Minister of Natural Resources and Energy.

Forest sector organizations have also been taking action to address the future of Canada's great forest resources. An *Envirofor Conference by the Canadian Forestry Association* was held in Toronto earlier this year, to bring key representatives from both the industrial sector and the environmental movement face to face, for the purpose of dialogue

and understanding about a common forestry vision. Discussion techniques were used to encourage learning from conflicting views, and they prompted openness and frankness from participants. The Conference discussed controversial issues such as clear-cutting and the use of pesticides, and it explored a broad range of both threats and opportunities which the delegates perceived to be facing Canada's forests.

A somewhat different examination of crown forest lands under the title of the *Class Environmental Assessment for Timber Management in Ontario* warrants evaluation. It is the largest environmental assessment hearing ever undertaken in Canada, and has so far lasted over two years and cost several million dollars. It is expected to result in a broad spectrum of conditions that will determine how forestry is to be practiced in Ontario, but the length of time taken and the costs incurred raise the question as to whether or not that kind of environmental assessment process is the best way to plan for sustainable forestry development. Many observers think not!

The creation of *Round Tables on the Environment* has followed in almost every province the *National Task Force on Environment and Economy*, initiated by the Prime Minister. These groups are comprised of a wide cross-section of stakeholders, and they deal with a number of issues, including forestry. For example, the Ontario Round Table is in the process of writing sustainable development indicators for forestry, for types of information that will be needed to facilitate a move towards sustainable forestry practices. The New Brunswick Round Table has a sub-group specifically directed to examine resource issues, and has already held public hearings in this regard. Certainly, the Round Table process could readily be expanded for national application to the forests sector, and there is much to be learned from the work that these groups have already done.

There have also been several specific enquiries in forestry, such as the *Clayoquot Task Force in British Columbia*, which are examples of local, ad hoc mechanisms to deal with a particular dispute or issue. That particular task force was appointed to examine a controversy on the west coast of Vancouver Island, to determine whether or not the area should be logged, or what parts of it could be logged. The inquiry remains current and is being conducted under the combined auspices of Ministers for Environment, Industry and Forests, with representation from environmentalists, local communities, the regional district, Indian bands and the forest industry.

Other suggestions for new approaches to national forestry have been heard, including a *Royal Commission on Canada's Forests*, a *National Board of Forest Conservation*, or perhaps even a *National Forestry Commissioner* who would act somewhat as an Auditor General for Forestry. All of these have been serious proposals, and certainly there are merits in each of them.

Ever since the first European came to Canada, we have been cutting the forests, and now we are in a transition. We are planting, we are building a new forest, and I think the time is now to decide how we will manage and use this new forest, because now we can control just about everything... We are now in a position; we have a knowledge base; and we can decide what kind of forestry we want tomorrow, what kind of trees, and what we want to do with them and so on. We are in a very fortunate position. It is up to us to do something. — J.A. Bérard, President, Forest Engineering Research Institute of Canada (Issue 6:32).

It is the strongly held opinion of the Committee that *the mission towards sustainable forestry development should be led by the forests Ministers*, both federally and provincially, who have the ultimate responsibilities for Canada's forests. With any other approach, we risk results that will not reflect the full impact of *the consultation, consensus and commitment* required to achieve the mission's goals. Again, we stress that the road to sustainable development is in large part a political one, and while non-partisan in a traditional sense, it nevertheless involves deeply-rooted convictions and conflicts which must be resolved and reconciled in responsible ways. It will not be an easy task, nor will it be a quick one. In fact, it may take *years* to accomplish, which is all the more reason why it must be started with a sense of *urgency*.

The federal government has recognized the importance of forestry by establishing the new department, but that would only be a gesture if we did not act. The legislation requires that we set the most effective federal forest policy possible to meet Canada's needs now and in the future. It is more than modesty that prevents me from telling you what that policy will be. Good policy will arise from consensus between all partners, resulting from the kind of leadership I have mentioned. — Honourable Frank Oberle, Federal Minister of Forestry (Issue 2:8).

Those are the reasons why, in our view, *it is a mission for Forest Ministers*, both those who are in office today, and their successors in the years to come. That is why we have recommended the formality of a structured process province by province, moulded into a national vision through *the Canadian Council of Forest Ministers*, and committed both for history and for future generations in a *Canada Forests Accord*.

That is why we urge Canada's Ministers of Forests in every province and territory to *seize this momentous task*, and to *get on with the job!* That is also why we support and encourage the federal Minister of Forestry, in true *partnership* with his colleagues, to *help lead that mission!*

REQUEST FOR GOVERNMENT RESPONSE

Your Committee requests that the Government respond to this report in accordance with Standing Order 109.

A copy of the relevant Minutes of Proceedings and Evidence (*Issue No. 26 of the Subcommittee on Forestry and Issue No. 17 of the Standing Committee on Forestry and Fisheries, (which includes this report)*) is tabled.

Respectfully submitted,

CHARLES-EUGÈNE MARIN, M.P.

Chairman

BUD BIRD, M.P.

Chairman

Sub-Committee on Forestry

ANNUAL ALLOWABLE CUT (AAC): The maximum volume of annual timber harvest that may be obtained from a particular forest management unit, under a given program of forest management, without reducing the productive capabilities of that forest.

BIODIVERSITY: The variety and variability of living organisms, and the ecological complexes in which they occur; the variety of the world's species, including their genetic diversity.

EVERGREEN: Term used to describe revolving, renewable licences, tenure or agreements which, at intervals into their term and subject to satisfactory evaluation of performance requirements, are renewed or extended for an additional full term.

FORESTS STEWARDSHIP: Holding and managing the forests for contemporary society while operating in a manner to enhance and not diminish the sustainability of forest values.

FORESTRY: Science or art of managing all forest resources, not only for timber and other commercial values, but also for wildlife habitat, recreational pursuits, hunting, fishing, trapping, watershed protection and wilderness preservation.

GEOGRAPHIC INFORMATION SYSTEMS (GIS): Computer systems used for storing and organizing geographically-related information, including inventory data, by relating large databases to maps on file in the computer memory bank.

INTEGRATED FOREST MANAGEMENT: Planning and management of forests to encompass all general and timber values of the forest, i.e. the practice of forestry.

NOT SATISFACTORY RESTOCKED (NSR): Productive forest land that has been cleared by commercial harvest or by natural causes, and which remains partially or completely barren of its potential to be regenerated to productivity by natural or artificial reforestation.

SEQUENTIAL MULTIPLE USE: Use of stands in a forest for differing purposes, including timber, which vary in implementation over time according to the progression of objectives and to evolving stages of stand development.

STAKEHOLDERS: Used broadly to encompass all who have a vested or perceived interest in the forests' resources, but without reference to or ranking of any hierarchy of vested priorities.

SUSTAINABLE DEVELOPMENT: Development that meets the needs of the present without compromising the ability of future generations to meet their own needs.

SUSTAINABLE FORESTRY DEVELOPMENT: Planning and managing the multiple uses of forest resources in a manner that will meet the needs of the present without compromising the capacity of the forest ecosystems to meet the anticipated needs of future generations.

SUSTAINED YIELD: Managing the harvest capacity of the forest to produce a specific volume of timber on a sustainable basis indefinitely; the volume is usually assumed to be even-flow, but technically provides for uneven-flow as well.

NOTE: These definitions are in accord with the manner in which the respective terms have been used and interpreted in the context of this Report.

1. As regards jobs in the forest sector, Forestry Canada reported in *Forestry Facts* that 787,000 jobs were directly or indirectly dependent of the forest in 1987. Other intervenors, such as Professor Les Reed from the University of British Columbia, refer to the existence of about 1 million jobs in this sector, based on statistics from 1989 (see *the Minutes of Proceedings and Evidence of the Standing Committee on Environment*, p. 33A:9).
2. Forestry Canada, *Forestry Facts*, Ottawa, Minister of Supply and Services, revised edition of May 1990, p. 23.
3. Text from a press release of Mr. William Reilly, administrator of the U.S. Environmental Protection Agency (EPA) in Washington, entitled *Reilly Calls Summit "Historic" for Environment*, July 16, 1990.
4. Right Honourable John Diefenbaker, *House of Commons Debates*, June 28, 1960, p. 5487.
5. Honourable Frank Oberle, *House of Commons Debates*, September 25, 1989, p. 3847.
6. Numerous studies have focussed on the role of forests in the phenomenon of global warming, particularly in so far as the absorption and production of greenhouse gases is concerned. A Parliamentary Forum on Global Climate Change was held on April 23 and 24, 1990, in Ottawa, where eight (8) House of Commons Standing Committees discussed trends and impacts of global climate change on their own field of responsibilities. A special issue of the Minutes of Proceedings and Evidence of each Standing Committee was released.
7. Forestry Canada, *Forestry Canada—Preparing for the Future: Our Strategic Plan*, Ottawa, 1990, p. 1.
8. Environics Research Group Limited, *1989 National Survey of Canadian Public Opinion on Forestry Issues—Final Report*, prepared for Forestry Canada, Toronto, May 1990, pp. 26–27.
9. *Ibid.*, pp. 9–10.
10. Monte Hummel, "The upshot", *Endangered Spaces—The Future for Canada's Wilderness*, Monte Hummel (General Editor), Henderson Book Series No. 11 (Canadian Parks & Wilderness Society), Toronto, Key Porter Books, 1989, p. 268.

11. Most data provided in the following section are taken from: Forestry Canada, *Forestry Facts*, Ottawa, Minister of Supply and Services, revised edition of May 1990, 87 p.
12. According to unpublished data of Statistics Canada on Labour Force Survey for 1989.
13. According to data of the Canadian Pulp and Paper Association reported by Jean-Pierre Amyot, *Canada's Forests: No Future Without Good Management*, Background Paper BP-99E, Ottawa, Library of Parliament, Research Branch, October 1984.
14. For instance, between 1977-1981, the average annual lost of merchantable volume of both softwood and hardwood to pests and fires reached 143.79 million m³, while the commercial harvest was of 143.68 m³. The data were compiled by: T.G. Honer and A. Bickerstaff, *Canada's Forest Area and Wood Volume Balance 1977-1981: An Appraisal of Change under present level of management*, Canadian Forestry Service, Pacific Forestry Center, Publ. No. BC-X-272, 1985, Table 3-7 (Average Annual Volume Depletion from all Sources), p. 77.
15. Woodbridge, Reed & Associates, *Canada's Forest Industry—The Next Twenty Years: Prospects & Priorities; Volume I: Strategic Analysis*, Prepared for Government of Canada, Canadian Forestry Service, Ottawa, December 1988, pp. 205-211.
16. International Union for the Conservation of Nature and its Resources (IUCN), *World Conservation Strategy—Living Resource Conservation for Sustainable Development*, Gland (Switzerland), 1980.
17. F.L.C. Reed, *The Implications of Sustainable Development for British Columbia Forestry*, prepared for the Price Waterhouse Third Annual British Columbia Forest Industry Conference, March 27, 1990, pp. 7-8.
18. Jim MacNeill, "Strategies for Sustainable Economic Development", *Scientific American*, September 1989, p. 159.
19. *Ibid.*
20. F.L.C. Reed, (1990), p. 1.
21. F.L.C. Reed, *The Status of Forestry in the Federal Government*, University of British Columbia, June 28, 1989, p. 2; and
F.L.C. Reed, *Mandate Statement: Department of Forest Conservation*, prepared for the House of Commons Committee on Bill C-29, University of British Columbia, October 12, 1989, p. 3.

22. Correspondence from Mr. Robert Woods, Forestry Canada, to the Sub-committee on Forestry, July 10, 1990.
23. Mr. Dave Bodak, *The Need for Indian Forest Management and Renewal*, Document dated October 25, 1989, and transmitted to the Sub-committee on Forestry, p. 4.
24. Personal communication of Mr. Ted Kennedy, former Dean, Faculty of Forestry, University of British Columbia, October 22, 1990.
25. Arthur W. May, "Forest Industry Lagging in Research, Development", *The Evening Telegram*, St. John's, March 30, 1990, pp. B4 and B8.
26. Canadian Council of Forest Ministers, *Report of the Implementation Committee—Innovation and Technology: Science in the Forestry Sector*, September 1988, p. 2.
27. Arthur W. May (1990), p. B4.
28. Letter to the Committee of R.A. Savidge, Professor of Tree Physiology, University of New Brunswick, October 4, 1990.
29. National Association of Professional Forestry Schools and Colleges and U.S. Department of Agriculture, 1986, *Progress and Promise—A Commemoration of the 25th Anniversary of the McIntire-Stennis Cooperative Forestry Research Program, 1962-1987*, USDA, Washington, D.C., 25 p.
30. Michael Howlett, "The 1987 National Forest Sector Strategy and the Search for a Federal Role in Canadian Forest Policy", *Canadian Public Administration*, Vol. 32, No. 4, p. 557.
31. *Canada Act 1982* (U.K.), 1982, c. 11.
32. Paragraph 92A(1)(b) of the *Constitution Act, 1867* reads as follows:
 92A. (1) In each province, the legislature may exclusively make laws in relation to
 (b) development, conservation and management of non-renewable natural resources and forestry resources in the province, including laws in relation to the rate of primary production therefrom.
33. *Constitution Act, 1867*, s. 92(13).
34. *Constitution Act, 1867*, s. 92(16).

35. S.C. 1988, c. 22.
36. R.S.C. 1985, c. F-14.
37. *Ibid.*, subsection 36(3).
38. *Constitution Act, 1867*, s. 91(6).
39. *Constitution Act, 1867*, s. 91(17).
40. *Constitution Act, 1867*, s. 95.
41. Dale Gibson, "Constitutional Jurisdiction Over Environmental Management in Canada", *University of Toronto Law Journal*, Vol. 23, 1973, p. 55, at p. 64.
42. *Ibid.*, p. 66.
43. *Constitution Act, 1867*, s. 91(2).
44. *Constitution Act, 1867*, subsections 92A(2) and (3).
45. *Constitution Act, 1867*, s. 91(24).
46. *Constitution Act, 1867*, s. 132.
47. S.O.R. 84/467.
48. R.S.C. 1985, C. E-10.
49. According to estimations prepared by the Economics and Statistics Directorate, Forestry Canada, and transmitted to the Sub-committee on Forestry, October 9, 1990.
50. Michael P. Folkema and Robin Richardson, *Status of the Woodlot Sector in Eastern Canada*, FERIC Internal Report, March 1990, p. 2, Table 1.
51. According to the evidence of Mr. Victor Brunette, Director of the *Fédération des producteurs de bois du Québec*, *Minutes and Evidence of the Sub-committee on Forestry*, Issue 8:7.

LIST OF WITNESSES

APPENDIX C

| NAME | ISSUE | DATE |
|--|-------|----------|
| Association of British Columbia Professional Foresters | | |
| Norman Godfrey, President; | 33* | 06-03-90 |
| Kelly McCloskey, Vice-President. | 21 | 09-05-90 |
| B.C. Council of Forest Industries | | |
| Mike Apsey, President; | 15 | 03-04-90 |
| Allan Sinclair, Vice-President Government and Public Affairs. | 15 | 03-04-90 |
| Canadian Federation of Professional Foresters' Associations | | |
| John Fingland, President. | 4 | 13-02-90 |
| Canadian Federation of Woodlot Owners | | |
| Peter DeMarsh, President. | 8 | 13-03-90 |
| | 9 | 14-03-90 |
| Canadian Forestry Association | | |
| William Fullerton, President; | 5 | 14-02-90 |
| Glen Blouin, Executive Director; | 5 | 14-02-90 |
| J.D. Coats, C.F.A. Member and Executive Vice-President of the Ontario Forestry Association. | 5 | 14-02-90 |
| Canadian Institute of Forestry | | |
| Jim Cayford, Executive Director; | 5 | 14-02-90 |
| Dr. Douglas Redmond, Former President. | 5 | 14-02-90 |
| Canadian Interagency Forest Fire Centre | | |
| Allan Jeffrey, Director. | 10 | 20-03-90 |
| Canadian Nature Federation | | |
| Paul Griss, Executive Director; | 19 | 01-05-90 |
| Dr. Theresa Aniskowicz, Coordinator of Conservation Programs; | 19 | 01-05-90 |
| Kevin McNanee, Parks and Protected Areas Coordinator. | 19 | 01-05-90 |
| Canadian Pacific Forest Products Limited | | |
| Cecil Flenniken, Chairman and Chief Executive Officer; | 24 | 22-05-90 |
| William Martin, Vice-President. | 24 | 22-05-90 |

| NAME | ISSUE | DATE |
|---|-------|----------|
| Canadian Paperworkers' Union | | |
| Willie Desbiens, Secretary-Treasurer; | 18 | 25-04-90 |
| Keith Newman, Director of Research. | 18 | 25-04-90 |
| Canadian Pulp and Paper Association | | |
| Howard Hart, President; | 3 | 07-02-90 |
| Armand Legault, Senior Vice-President, Woodlands and Wood Products, Stone-Consolidated Inc.; | 3 | 07-02-90 |
| David Barron, Group Director, Production Services. | 3 | 07-02-90 |
| Canadian Wildlife Federation | | |
| Johannah Bernstein, Corporate Counsel; | 21 | 09-05-90 |
| Gary Blundell, Director of Research; | 21 | 09-05-90 |
| Julie Gelfand, Director of Communications. | 21 | 09-05-90 |
| Department of Environment | | |
| J.M.D. Collinson, Assistant Deputy Minister, Canadian Parks Service; | 25 | 23-05-90 |
| Dave Lohnes, Director, Natural Resources Division; | 25 | 23-05-90 |
| Vic Shantora, Director, Industrial Programs Branch; | 25 | 23-05-90 |
| Steve Hart, Director, Waste Management Branch; | 25 | 23-05-90 |
| Brian Emmett, Director General, Policy; | 25 | 23-05-90 |
| Raymond R. Robinson, Executive Chairman, FEARO; | 25 | 23-05-90 |
| A. Keith, Director, Wildlife Toxicology; | 25 | 23-05-90 |
| Charles Marriott, Director General, Corporate Programs and Services Directorate. | 25 | 23-05-90 |
| Department of External Affairs and International Trade | | |
| Robert Burchill, Director General, Agri-Food, Fish and Resource Products Bureau; | 22 | 15-05-90 |
| Howard Wilson, Director General, Trade Policy Bureau. | 22 | 15-05-90 |
| Department of Forestry Canada | | |
| Honourable Frank Oberle, Minister of Forestry | 2 | 06-02-90 |
| | 13 | 28-03-90 |
| | 14 | 29-03-90 |
| Jean-Claude Mercier, Deputy Minister; | 12 | 27-03-90 |
| | 13 | 28-03-90 |

| NAME | ISSUE | DATE |
|---|-------|----------|
| Department of Forestry Canada (Cont'd) | | |
| | 14 | 29-03-90 |
| | 16 | 10-04-90 |
| Jag S. Maini, Assistant Deputy Minister, Policy; | 2 | 06-02-90 |
| | 12 | 27-03-90 |
| | 13 | 28-03-90 |
| | 14 | 29-03-90 |
| | 16 | 10-04-90 |
| Louise Mantha, Director General, Policy, Planning and International Forestry Directorate; | 12 | 27-03-90 |
| | 13 | 28-03-90 |
| | 22 | 15-05-90 |
| David Bickerton, Director General, Finance and Administration Directorate; | 12 | 27-03-90 |
| | 13 | 28-03-90 |
| | 14 | 29-03-90 |
| Gérald Séguin, Director, Financial Services; | 16 | 10-04-90 |
| John Forster, Director of Development; | 16 | 10-04-90 |
| Tim Bezanson, Director of Planning. | 16 | 10-04-90 |
| Department of Indian Affairs and Northern Development | | |
| Mike Sims, Director General, Policy and Co-ordination, Economic Development Sector; | 23 | 16-05-90 |
| Garth Bangay, Acting Director General, Natural Resources and Economic Development Branch, Northern Affairs Program; | 23 | 16-05-90 |
| Duncan Marshall, Associate Director, Renewable Resources, Economic Development Sector. | 23 | 16-05-90 |
| Department of Industry, Science and Technology | | |
| J.C. MacKay, Assistant Deputy Minister, Industry and Technology; | 19 | 02-05-90 |
| Lucien Bradet, Director General, Resource Processing Industries Branch; | 19 | 02-05-90 |
| Rocco Delvecchio, Director, Forest Products Directorate. | 19 | 02-05-90 |
| Department of National Defence | | |
| Tony Downs, Director, Conservation and Environment; | 25 | 23-05-90 |
| Lt. Col. M.J.M. Swan, Military Operations; | 25 | 23-05-90 |
| Robert Crétain, Head, Natural Resources Management. | 25 | 23-05-90 |

| NAME | ISSUE | DATE |
|---|-------|----------|
| Domtar | | |
| Roger A. Ashby, President, Domtar Pulp and Paper Products; | 25 | 23-05-90 |
| Yvon Beauregard, Vice-President, Environment; | 25 | 23-05-90 |
| John Iverson, Manager, Forestry and the Environment for Ontario. | 25 | 23-05-90 |
| Farm Woodlot Association of Saskatchewan | | |
| Hector Shiell, President. | 9 | 14-03-90 |
| Fédération des producteurs de bois du Québec | | |
| J.-L. Bilodeau, President; | 8 | 13-03-90 |
| Victor Brunette, Director. | 8 | 13-03-90 |
| Federation of British Columbia Woodlot Associations | | |
| Peter Sanders, President. | 9 | 14-03-90 |
| Forest Engineering Research Institute of Canada (Feric) | | |
| J.A. Bérard, President; | 6 | 21-02-90 |
| Pierre Giguère, Secretary-Treasurer. | 6 | 21-02-90 |
| Forest Group Venture Association of Nova Scotia | | |
| John Roblee, President. | 9 | 14-03-90 |
| Forests for Tomorrow | | |
| Don Huff, Chairman. | 10 | 20-03-90 |
| Forintek Canada Corporation | | |
| A.K. French, President and Chief Executive Officer; | 15 | 03-04-90 |
| Dr. Jim Dangerfield, Vice-President, Eastern Region. | 15 | 03-04-90 |
| Grand Council of Crees of Quebec | | |
| Bill Namagoose, Executive Director; | 17 | 24-04-90 |
| Brian Craik, Director, Federal Relations. | 17 | 24-04-90 |

| NAME | ISSUE | DATE |
|---|-------|----------|
| Indian Forestry Development Program | | |
| Chief Willie Wilson, Chairman; | 17 | 24-04-90 |
| Don Jones, Vice-Chairman; | 17 | 24-04-90 |
| Ron Simmons, General Manager. | 17 | 24-04-90 |
| Intertribal Forestry Association of British Columbia | | |
| Harold Derickson, President; | 18 | 25-04-90 |
| Robert Simon, Secretary. | 18 | 25-04-90 |
| International Woodworkers of America (Canada) | | |
| Gerry Stoney, First Vice-President. | 20 | 08-05-90 |
| Laval University | | |
| Claude Godbout, Dean of Forestry and Geomatics. | 1 | 30-01-90 |
| MacMillan Bloedel Limited | | |
| Fred Moonen, Vice-President; | 11 | 21-03-90 |
| Ken Williams, Chief Forester. | 11 | 21-03-90 |
| Manitoba Department of Natural Resources | | |
| Richard C. Goulden, Assistant Deputy Minister | 20 | 08-05-90 |
| National Aboriginal Forestry Association | | |
| Chief Willie Wilson, National Spokesperson; | 17 | 24-04-90 |
| Harold Derickson, Vice-President, Western Region. | 17 | 24-04-90 |
| New Brunswick Department of Natural Resources and Energy | | |
| Honourable Morris V. Green, Minister; | 22 | 15-05-90 |
| Bryan J. Walker, Deputy Minister. | 22 | 15-05-90 |
| New Brunswick Federation of Woodlot Owners | | |
| Ken Vasiliauskas, Member, Board of Directors | 8 | 13-03-90 |
| New Brunswick Forest Products Association | | |
| J.R. Leach, President; | 24 | 22-05-90 |
| W.S. Butler, Executive Director; | 24 | 22-05-90 |
| J.B. O'Keefe, Director. | 24 | 22-05-90 |

| NAME | ISSUE | DATE |
|---|-------|----------|
| Noranda Forests Inc. | | |
| Adam Zimmerman, Chairman and Chief Executive Officer; | 24 | 22-05-90 |
| Tim Kenny, President. | 24 | 22-05-90 |
| Nova Scotia Forest Products Association | | |
| Claudette Thériault, Executive Director; | 24 | 22-05-90 |
| Matthew Wright, First Vice-President. | 24 | 22-05-90 |
| Ontario Forest Industries Association | | |
| I.D. Bird, President; | 23 | 16-05-90 |
| R. Marie Rauter, Manager. | 23 | 16-05-90 |
| Ontario Forestry Association | | |
| Bob Staley, President. | 8 | 13-03-90 |
| Pulp and Paper Research Institute of Canada (Paprican) | | |
| Peter E. Wrist, President and Chief Executive Officer; | 6 | 21-02-90 |
| Jim H. Rogers, Senior Vice-President; | 6 | 21-02-90 |
| C.D. Doucet, Vice-President, Administration. | 6 | 21-02-90 |
| Quebec Forest Industries Association | | |
| André Duchesne, Director General; | 16 | 04-04-90 |
| William Martin, Vice-President. | 16 | 04-04-90 |
| Sierra Club of Western Canada | | |
| Vicky Husband, Director; | 7 | 07-03-90 |
| Herb Hammond, Professional Forester. | 33* | 06-03-90 |
| | 7 | 07-03-90 |
| | 33* | 06-03-90 |
| Simon Fraser University | | |
| Kenneth Lertzman, Associate Professor | 33* | 06-03-90 |
| University of British Columbia | | |
| F.L.C. Reed, Chair of Forest Policy. | 7 | 07-03-90 |
| | 33* | 06-03-90 |
| University of New Brunswick | | |
| Gordon L. Baskerville, Dean of Forestry. | 1 | 31-01-90 |
| | 11 | 21-03-90 |

LIST OF SUBMISSIONS RECEIVED

APPENDIX D

| NAME | ISSUE | DATE |
|---|-------|----------|
| University of Toronto | | |
| J.R. Carrow, Dean of Forestry. | 1 | 30-01-90 |
| Valhalla Society | | |
| Grant Copeland, Director. | 7 | 07-03-90 |
| | 33* | 06-03-90 |
| Wildlife Habitat Canada | | |
| Robert Carswell, Chairman; | 21 | 09-05-90 |
| David Neave, Executive Director. | 21 | 09-05-90 |
| * Issue of Standing Committee on the Environment; joint session with Sub-committee on Forestry. | | |

LIST OF SUBMISSIONS RECEIVED

APPENDIX D

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- | | |
|---|----------------------------------|
| 1. Abitibi-Price Inc. | May 14, 1990 |
| 2. Alberta Registered Professional Foresters Association | June 28, 1990 |
| 3. Armson, K.A. | April 10, 1990 |
| 4. Association of British Columbia Professional Foresters | March 7, 1990 May 9, 1990 |
| 5. Beaudoin, René | March 6, 1990 |
| 6. Bowman, Colleen | April 12, 1990 |
| 7. Bragg, Doug | March 3, 1990 |
| 8. British Columbia Forest Resources Commission | April 12, 1990 |
| 9. Canadian Federation of Woodlot Owners | March 13, 1990 March 14, 1990 |
| 10. Canadian Forest Products Ltd. | April 11, 1990 |
| 11. Canadian Forestry Association | February 14, 1990 |
| 12. Canadian Institute of Forestry | February 14, 1990 |
| 13. Canadian Interagency Forest Fire Centre | March 20, 1990 |
| 14. Canadian Nature Federation | May 1, 1990 |
| 15. Canadian Pacific Forest Products Limited | May 22, 1990 |
| 16. Canadian Paperworkers Union | April 25, 1990 |
| 17. Canadian Pulp and Paper Association | February 7, 1990 |
| 18. Canadian Wildlife Federation | May 9, 1990 |
| 19. Cariboo Lumber Manufacturers' Association | May 15, 1990 |
| 20. Clifford, B.J. | March 22, 1990 |

21. Comité consultatif pour l'environnement de la Baie James April 16, 1990
22. Conseil de la Nation Atikamekw April 19, 1990
23. Council of Forest Industries of B.C. April 3, 1990
24. Department of Environment May 23, 1990
25. Department of Forestry February 6, 1990
26. Department of Indian Affairs and Northern Development May 16, 1990
27. Department of Industry, Science and Technology May 2, 1990
28. Department of National Defence May 23, 1990
29. Domtar May 23, 1990
30. Eichenauer, Richard March 11, 1990
31. Farm Woodlot Association of Saskatchewan March 14, 1990
32. Faulks, Eric April 11, 1990
33. Fédération des producteurs de bois du Québec March 13, 1990
34. Federation of B.C. Woodlot Associations March 14, 1990
35. Forest Engineering Research Institute of Canada February 21, 1990
36. Forest Group Venture Association of Nova Scotia March 14, 1990
37. Forests for Tomorrow March 20, 1990
38. Forintek Canada Corporation April 13, 1990
39. Four-the-Future Group March 30, 1990
40. Fraser Valley Independent Shake & Shingle Producers Association April 16, 1990
41. Hamill, H.E. April 17, 1990
42. Indian Forestry Development Program April 24, 1990

- | | |
|---|------------------------------|
| 43. Interior Lumber Manufacturers Association | April 27, 1990 |
| 44. Intertribal Forestry Association of B.C. | April 24, 1990 |
| 45. International Woodworkers of America | May 8, 1990 |
| 46. Kwakiutl District Council | May 8, 1990 |
| 47. Livingston, Neal | April 16, 1990 |
| 48. MacMillan Bloedel Limited | March 21, 1990 |
| 49. New Brunswick Federation of Woodlot Owners | March 13, 1990 |
| 50. Newfoundland Forest Protection Association | April 25, 1990 |
| 51. New Brunswick Forest Products Association Inc. | May 22, 1990 |
| 52. Northwestern Ontario Associated Chambers of Commerce | April 9, 1990 |
| 53. Northwest Territories (The Hon. Titus Allooloo Minister of Renewable Resources) | May 31, 1990 |
| 54. Nova Scotia Forest Products Association Inc. | May 22, 1990 |
| 55. Ontario Forest Industries Association | May 16, 1990 |
| 56. Ontario Forestry Association | March 13, 1990 |
| 57. Outdoor Recreation Council of B.C. | April 12, 1990 |
| 58. P.J.B. Duffy and Associates Ltd. | May 27, 1990 June 5, 1990 |
| 59. Province of Alberta (Mr. C.B. Smith Deputy Minister Department of Forestry, Lands and Wildlife) | May 31, 1990 |
| 60. Province of British Columbia (Honourable Claude Richmond Minister of Forests) | July 3, 1990 |

- | | |
|--|----------------------------------|
| 61. Province of Manitoba (Mr. Richard C. Goulden Assistant Deputy Minister Department of Natural Resources) | May 8, 1990 |
| 62. Province of Prince Edward Island (The Honourable Barry Hicken, Department of Energy and Forestry) | April 30, 1990 |
| 63. Province of Saskatchewan (The Honourable Lorne Kopelchuk Department of Parks and Renewable Resources) | May 31, 1990 |
| 64. Pulp and Paper Research Institute of Canada (Paprican) | February 21, 1990 |
| 65. Quebec Forest Industries Association | April 4, 1990 |
| 66. Sierra Club of Western Canada | March 7, 1990 |
| 67. Simon Fraser University | March 7, 1990 |
| 68. The Valhalla Society | March 7, 1990 |
| 69. Tyax Mountain Lake Resort | March 18, 1990 |
| 70. United Brotherhood of Carpenters and Joiners of America | April 12, 1990 |
| 71. University of B.C. (F.L.C. Reed) | March 7, 1990 |
| 72. University of New Brunswick (Gordon Baskerville) (R.A. Savidge) | July 12, 1990 October 4, 1990 |
| 73. University of Toronto (J.R. Carrow) | September 10, 1990 |
| 74. Waugh, David | March 26, 1990 |
| 75. Wildlife Habitat Canada | May 9, 1990 |
| 76. Yukon Territory (The Honourable Art Webster Minister of Renewable Resources) | April 17, 1990 |

MINUTES OF PROCEEDINGS

TUESDAY, FEBRUARY 13, 1990

(23)

[Text]

The Standing Committee on Forestry and Fisheries met *in camera* at 10:10 o'clock a.m. this day, in Room 306 West Block, the Chairman, Charles-Eugène Marin, presiding.

Members of the Committee present: Réginald Bélair, Bud Bird, Darryl Gray, Lawrence MacAulay, Charles-Eugène Marin, Peter McCreath, Ken Monteith, Fernand Robichaud, Greg Thompson, Dave Worthy.

Acting Members present: Maurice Foster for Guy Arseneault, Jean-Pierre Hogue for Charles Langlois and Lyle Kristiansen for Brian Gardiner.

In attendance: From the Committees Directorate: Marc Toupin, Procedural Clerk. *From the Research Branch, Library of Parliament:* Thomas Curren, Research Officer.

The Chairman presented the Third Report of the Sub-committee on Agenda and Procedure.

After discussion, it was agreed,—That the Report be adopted as follows:

A. *Sub-committee on Forestry*

That an expenditure of up to \$10,000 be authorized for advertising and press releases for the study on the role and mandate of the Department of Forestry.

That the Library of Parliament assign a research officer for the study on the role and mandate of the Department of Forestry.

B. *Sub-committee on Fisheries*

That an expenditure of up to \$10,000 be authorized for advertising and press releases for the study on East coast fishing issues.

That the Sub-committee be authorized to travel as follows:

(a) Quebec North Shore, Gaspé and Northern New Brunswick

(b) Prince Edward Island, Fundy coast of New Brunswick and southern Nova Scotia

(c) Newfoundland and Labrador for the study on East coast fisheries issues and that the necessary staff accompany the Sub-committee.

That the 1988 Report on *Aquaculture in Canada* of the Standing Committee on Fisheries and Oceans be tabled in the House of Commons in accordance with Standing Order 109.

That the Chairman be authorized to engage a researcher on contract for an amount not to exceed \$500 per day up to March 31, 1990 if required to assist the Sub-committee in its work.

That errors in Issue No. 1 of the Minutes of Proceedings and Evidence of the Sub-committee on Fisheries be corrected prior to further distribution, that a corrected Issue be printed and that the Speaker be informed by the Chairman.

C. *Budget*

That \$14,000.00 be transferred from *Printing* to *Advertising* to cover the advertising and press release costs for each of the Sub-committees.

D. *Parliamentary Forum on Climate*

That the Sub-committee on Forestry and the Sub-committee on Fisheries participate separately with voting, if applicable, to be exercised uniquely by the Standing Committee and on the understanding that the opposition parties be represented in the committee planning the Forum.

It was agreed,—That the 1990-1991 budget adopted by the Sub-committee on Agenda and Procedure on December 14, 1989 be adopted as amended and submitted to the Liaison Committee.

It was agreed,—That members of the Sub-committee on Fisheries along with the necessary staff be authorized to attend the Boston Seafood Fair in March.

At 10:50 o'clock a.m., the Committee adjourned to the call of the Chair.

Stephen Knowles
Clerk of the Committee

THURSDAY, MARCH 29, 1990

(24)

The Standing Committee on Forestry and Fisheries met *in camera* at 3:11 o'clock p.m. this day, in Room 112-N, the Chairman, Charles-Eugène Marin, presiding.

Members of the Committee present: Guy Arseneault, Bud Bird, Brian Gardiner, Darryl Gray, Charles Langlois, Lawrence MacAulay, Charles-Eugène Marin, Peter McCreath, Ken Monteith, Fernand Robichaud, Dave Stupich, Dave Worthy.

Acting Member present: Stan Wilbee for Greg Thompson.

In attendance: From the Research Branch, Library of Parliament: Thomas Curren, Research Officer. *From the Committees Directorate:* Lise Lachapelle, Assistant Clerk.

The Committee met to consider its future business.

It was agreed,—

That from the Main Estimates for the fiscal year ending March 31, 1991, Votes 1, 5 and 10 under FORESTRY be deferred to the Sub-Committee on Forestry and that Votes 1, 5 and 10 under FISHERIES AND OCEANS be deferred to the Sub-Committee on Fisheries;

That the budget of the Committee on Forestry and Fisheries for fiscal 1990-1991 in the amount of \$152 400, be approved;

That the contract with David Curtis, consultant to the Sub-committee on Forestry be extended until June 30 for an amount not exceeding \$25 000;

That the Auditor General be invited to appear by both Sub-committees separately, at their convenience;

That in the activities of the Sub-committee on Fisheries, the following issues be considered:

- scientific research on endangered species and underutilized species;
- overfishing in the Atlantic Ocean, including outside the 200 mile zone;
- drift net fishing.

That the Chairman, in consultation with interested parties, take the necessary decisions for the two trips planned by the Sub-committee on Fisheries.

At 4:00 o'clock p.m., the Committee adjourned.

Martine Bresson
Clerk of the Committee

TUESDAY, MAY 22, 1990
(28)

The Standing Committee on Forestry and Fisheries met *in camera* at 3:37 o'clock p.m. this day, in Room 536, Wellington Building, the Vice-Chairman, Peter McCreath, presiding.

Members of the Committee present: Réginald Bélair, Bud Bird, Brian Gardiner, Charles Langlois, Charles-Eugène Marin, Peter McCreath, Ken Monteith, Fernand Robichaud, Dave Stupich, Greg Thompson, Dave Worthy.

In attendance: From the Research Branch of the Library of Parliament: Thomas Curren (Fisheries) and Helen Morrison (Forestry), Research Officers. *From the Committees Directorate:* Lise Lachapelle, Assistant Clerk (Fisheries) and Marc Toupin, Clerk (Forestry).

It was agreed,—

That the Sub-committee on Forestry be authorized to spend up to \$6 000 for the cover page and for consultation on technical specifications and also for revising the special report of the Sub-committee to study on the role and mandate of Forest Canada;

That the clerk of the Sub-committee be authorized to arrange for the necessary service contracts;

That the Sub-committee on Forestry be allowed, after approbation of the preliminary copies by the Standing Committee, to print up to 2 000 extra copies of its special report.

At 3:47 o'clock p.m., Peter McCreath left the Chair and was replaced by Charles-Eugène Marin (president).

It was agreed,—That the Sub-committee on Fishery met as soon as possible to discuss its future business.

The Committee adjourned at 4:06 o'clock p.m.

Martine Bresson
Clerk of the Committee

WEDNESDAY, JUNE 13, 1990

(29)

The Standing Committee on Forestry and Fisheries met *in camera* at 3:29 o'clock p.m. this day, in Room 536, Wellington Building, the Vice-Chairman (Fisheries), Peter McCreath, presiding.

Members of the Committee present: Réginald Bélair, Bud Bird, Charles Langlois, Peter McCreath, Ken Monteith, Fernand Robichaud, Dave Stupich, Greg Thompson, Dave Worthy.

In attendance: From the Research Branch of the Library of Parliament: Thomas Curren (Fisheries) and Helen Morrison (Forestry), Research Officers.

It was agreed,—That the contract with David Curtis, researcher to the Sub-committee on Forestry, be extended from July 1 until September 30, but should not exceed in any way the \$25 000 approved by the Standing Committee for this item.

It was agreed,—That the Standing Committee on Forestry and Fisheries met the first week after summer recess, before the restructuring of the committees, to adopt the report of the Sub-committee on Forestry.

At 3:34 o'clock p.m., the Committee adjourned to the call of the Chairman.

Lise Lachapelle
Clerk of the Committee

THURSDAY, OCTOBER 11, 1990

(30)

The Standing Committee on Forestry and Fisheries met *in camera* at 11:30 o'clock a.m. this day, in Room 705, 151 Sparks St., the Chairman, Charles-Eugène Marin, presiding.

Members of the Committee present: Réginald Bélair, Bud Bird, Lawrence MacAulay, Charles-Eugène Marin, Ken Monteith, Dave Stupich.

Acting Members present: Suzanne Duplessis for Charles Langlois; Al Horning for Peter McCreath; Stan Wilbee for Dave Worthy.

In attendance: From the Research Branch of the Library of Parliament: Jean-Luc Bourdages, Research Officer (Forestry). From the Committees Directorate: Marc Toupin, Clerk of the Sub-committee on Forestry.

The Committee commenced to study the draft report of the Sub-committee on Forestry concerning the role and mandate of the Department of Forestry.

It was agreed,—That the report entitled *Forests of Canada: The Federal Role* be adopted by the Committee subject to editorial changes made by the Sub-committee on Forestry.

It was agreed,—That the report entitled *Forests of Canada: The Federal Role* be adopted as Second report of the Committee to the House, to be revised if necessary by the Sub-committee, and that the report be presented to the House.

It was agreed,—That pursuant to Standing Order 109, the Committee requests the government to table a comprehensive response to the report.

It was agreed,—That the vice-president (Forestry) and the spokespersons of opposition parties within the Sub-committee hold a press conference immediately after the tabling of the report in the House.

It was agreed,—That in addition to the 2 000 copies authorized on May 22, 1990, the Committee allow that 3 000 extra copies be printed for a total of 5 000, with a special cover for Minutes of Proceedings and Evidence, Issue no. 17, which includes the Second Report to the House.

It was agreed,—That the president seek permission to the House to release its Second Report during adjournment, if needed.

According to its mandate under Standing Order 108(2), the Committee proceeded to study Fisheries issues.

The Committee discussed its future business.

It was agreed,—That the Committee, with the agreement of the Sub-committee, engage a fisheries consultant on contract from October 1, 1990 to March 31, 1991, at a per diem rate not exceeding \$500, for a total amount of \$20 000.

At 12:20 o'clock p.m., the Committee adjourned to the call of the Chairman.

Martine Bresson
Clerk of the Committee

Stephen Knowles
Committee Clerk

MINUTES OF PROCEEDINGS

TUESDAY, MAY 29, 1990

(31)

[Text]

The Sub-committee on Forestry of the Standing Committee on Forestry and Fisheries met *in camera* at 4:40 o'clock p.m. this day, in Room 705, La Promenade Building, the Chairman, Bud Bird, presiding.

Members of the Sub-committee present: Guy Arseneault, Réginald Bélair, Bud Bird, Brian Gardiner, Darryl Gray, Dave Worthy.

In attendance: From the Library of Parliament: David Curtis, Forestry Consultant; Jean-Luc Bourdages and Helen Morrison, Research Officers.

Pursuant to Standing Order 108(2) and the decision of the Standing Committee on Forestry and Fisheries made on November 23, 1989 the Sub-committee resumed the consideration of the role and terms of reference of the Department of Forestry. (*See Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries dated Thursday, November 23, 1989, Issue No. 12*).

The Committee proceeded to consider a draft report on the role and mandate of Forestry Canada.

And debate arising thereon;

At 6:00 o'clock p.m., the Sub-committee adjourned to the call of the Chair.

WEDNESDAY, MAY 30, 1990

(32)

The Sub-committee on Forestry of the Standing Committee on Forestry and Fisheries met *in camera* at 3:45 o'clock p.m. this day, in Room 705, La Promenade Building, the Chairman, Bud Bird, presiding.

Members of the Sub-committee present: Guy Arseneault, Réginald Bélair, Bud Bird, Brian Gardiner, Dave Worthy.

In attendance: From the Library of Parliament: David Curtis, Forestry Consultant; Jean-Luc Bourdages and Helen Morrison, Research Officers.

Pursuant to Standing Order 108(2) and the decision of the Standing Committee on Forestry and Fisheries made on November 23, 1989 the Sub-committee resumed the consideration of the role and terms of reference of the Department of Forestry. (*See Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries dated Thursday, November 23, 1989, Issue No. 12*).

The Committee resumed consideration of its draft report on the role and mandate of Forestry Canada.

And debate arising thereon;

At 5:15 o'clock p.m., the Sub-committee adjourned to the call of the Chair.

TUESDAY, JUNE 5, 1990

(33)

The Sub-committee on Forestry of the Standing Committee on Forestry and Fisheries met *in camera* at 3:40 o'clock p.m. this day, in Room 208, West Block, the Chairman, Bud Bird, presiding.

Members of the Sub-committee present: Guy Arseneault, Bud Bird, Brian Gardiner, Ken Monteith, Dave Worthy.

In attendance: From the Library of Parliament: Jean-Luc Bourdages, Research Officer.

Pursuant to Standing Order 108(2) and the decision of the Standing Committee on Forestry and Fisheries made on November 23, 1989 the Sub-committee resumed the consideration of the role and terms of reference of the Department of Forestry. (*See Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries dated Thursday, November 23, 1989, Issue No. 12*).

The Committee resumed consideration of its draft report on the role and mandate of Forestry Canada.

And debate arising thereon;

At 4:40 o'clock p.m., the Sub-committee adjourned to the call of the Chair.

TUESDAY, SEPTEMBER 25, 1990

(34)

The Sub-committee on Forestry of the Standing Committee on Forestry and Fisheries met *in camera* at 3:40 o'clock p.m. this day, in Room 536, Wellington Building, the Chairman, Bud Bird, presiding.

Members of the Sub-committee present: Réginald Bélair, Bud Bird, Brian Gardiner, Darryl Gray, Ken Monteith, Dave Worthy.

Acting Member present: Bob Wood for Guy Arseneault.

In attendance: From the Library of Parliament: Jean-Luc Bourdages, Research Officer.

Pursuant to Standing Order 108(2) and the decision of the Standing Committee on Forestry and Fisheries made on November 23, 1989 the Sub-committee resumed the consideration of the role and terms of reference of the Department of Forestry. (*See Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries dated Thursday, November 23, 1989, Issue No. 12*).

The Committee resumed consideration of its draft report on the role and mandate of Forestry Canada.

And debate arising thereon;

At 6:00 o'clock p.m., the Sub-committee adjourned to the call of the Chair.

WEDNESDAY, SEPTEMBER 26, 1990

(35)

The Sub-committee on Forestry of the Standing Committee on Forestry and Fisheries met *in camera* at 5:05 o'clock p.m. this day, in Room 536, Wellington Building, the Chairman, Bud Bird, presiding.

Members of the Sub-committee present: Réginald Bélair, Bud Bird, Brian Gardiner, Darryl Gray, Ken Monteith.

Acting Member present: Bob Wood for Guy Arseneault.

Other Member present: Stan Wilbee.

In attendance: From the Library of Parliament: Jean-Luc Bourdages, Research Officer.

Pursuant to Standing Order 108(2) and the decision of the Standing Committee on Forestry and Fisheries made on November 23, 1989 the Sub-committee resumed the consideration of the role and terms of reference of the Department of Forestry. (*See Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries dated Thursday, November 23, 1989, Issue No. 12*).

The Committee resumed consideration of its draft report on the role and mandate of Forestry Canada.

And debate arising thereon;

It was agreed,—That the recommendations of the draft report on the role and mandate of Forestry Canada be concurred in.

It was agreed,—That the Chairman be authorized to make any necessary typographical and editorial changes to the draft report, subject to final approval by the Sub-committee on Forestry.

At 5:45 o'clock p.m., the Sub-committee adjourned to the call of the Chair.

WEDNESDAY, OCTOBER 3, 1990

(36)

The Sub-committee on Forestry of the Standing Committee on Forestry and Fisheries met *in camera* at 3:35 o'clock p.m. this day, in Room 112-N, Centre Block, the Chairman, Bud Bird, presiding.

Members of the Sub-committee present: Réginald Bélair, Bud Bird, Brian Gardiner, Ken Monteith, Dave Worthy.

Other Members present: Robert Corbett, Bob Wood.

In attendance: From the Library of Parliament: Jean-Luc Bourdages, Research Officer.

Pursuant to Standing Order 108(2) and the decision of the Standing Committee on Forestry and Fisheries made on November 23, 1989 the Sub-committee resumed the consideration of the role and terms of reference of the Department of Forestry. (*See Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries dated Thursday, November 23, 1989, Issue No. 12*).

The Committee resumed consideration of its draft report on the role and mandate of Forestry Canada.

And debate arising thereon;

At 4:05 o'clock p.m., the Sub-committee adjourned to the call of the Chair.

WEDNESDAY, OCTOBER 24, 1990

(37)

The Sub-committee on Forestry of the Standing Committee on Forestry and Fisheries met *in camera* at 3:45 o'clock p.m. this day, in Room 701, La Promenade Building, 151 Sparks Street, the Chairman, Bud Bird, presiding.

Members of the Sub-committee present: Réginald Bélair, Bud Bird, Brian Gardiner, Darryl Gray, Ken Monteith.

Acting Member present: Bob Wood for Guy Arseneault.

In attendance: From the Library of Parliament: Jean-Luc Bourdages, Research Officer.

Pursuant to Standing Order 108(2) and the decision of the Standing Committee on Forestry and Fisheries made on November 23, 1989 the Sub-committee resumed the consideration of the role and terms of reference of the Department of Forestry. (*See Minutes of Proceedings and Evidence of the Standing Committee on Forestry and Fisheries dated Thursday, November 23, 1989, Issue No. 12*).

The Committee resumed consideration of its draft report on the role and mandate of Forestry Canada.

It was agreed,—That the draft report on the role and mandate of Forestry Canada be concurred in.

At 4:00 o'clock p.m., the Sub-committee adjourned to the call of the Chair.

Marc Toupin
Clerk of the Sub-committee

