

# Aboriginal Forestry Workshop – Manitoba

February 10, 2011

Marlborough Hotel  
Winnipeg, Manitoba

*Meeting Summary Report*



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## MEETING SUMMARY REPORT

### INTRODUCTION

A workshop was held on February 10th in Winnipeg, Manitoba to discuss Aboriginal Forestry opportunities in Manitoba. The Winnipeg workshop was one of 8 meetings which took place across the country intended to provide participants with an overview of the new Federal Framework for Aboriginal Economic Development which focuses on creating opportunities and generating results with the government taking a “whole of government” approach to Aboriginal economic development.

These sessions were held to identify potential economic development opportunities, requirements and possible partners for Aboriginal communities in forestry. Invitees included members from the private sector, the forestry industry, provincial and federal governments and First Nations who all contributed in identifying forest-based opportunities with the greatest potential to return benefits to Aboriginal communities. The workshop provided for great collaboration and idea sharing amongst participants, along with the opportunity to make new connections and partnerships which could help support future endeavours.

These meetings were also held to inform Aboriginal forest practitioners of the new strategy being undertaken by the Government of Canada and to encourage economic development via forest-based activities, the Aboriginal Forestry Initiative.

### PART I - BACKGROUND

Mr. Brian Wilson, Natural Resources Canada, welcomed the group and introduced Winona Embuldeniya, Regional Director, Lands Directorate, Indian and Northern Affairs Canada (INAC). He described the process the group would follow during the workshop to gather ideas in support of the new Aboriginal Economic Development Framework from Indian and Northern Affairs Canada (INAC). He also went over the objectives of the workshop to identify forestry opportunity areas for Aboriginal people. He went over the main topics listed in the agenda.

### THE NEW FEDERAL APPROACH TO ABORIGINAL ECONOMIC DEVELOPMENT IN FORESTRY

*Mr. Neil Burnett, Indian and Northern Affairs Canada*

*Mr. Brian Wilson, Natural Resources Canada*

*Please check delivery against the presentation materials distributed at the workshop. This summary offers only abridged details of what was discussed.*

Mr. Neil Burnett, INAC, presented the “Federal Framework for Aboriginal Economic Development – Supporting Opportunities in Aboriginal Forestry”. He noted that the new framework, launched in 2009, was a significant change in how the Canadian government supported Aboriginal economic development. The new design and delivery approach would be supported by the whole government. This new framework was structured on five pillars: strengthening



Aboriginal entrepreneurship, developing Aboriginal human capital, enhancing the value of Aboriginal assets, forging new and effective partnerships, and focusing the role of the federal government. The guiding principles of this new framework were: an appropriate role for the Government of Canada, a flexible approach to Aboriginal economic development, and a focus on implementation.

The new framework aims to promote coordination, among federal departments, and agencies. It would be responsive to new and changing economic conditions and emerging opportunities. He continued to explain that the new approach would seek to leverage partnerships to achieve sustainable economic development and consider the broad conditions that could facilitate or impede economic development. The Canadian Forestry Service is shifting its role to aid in the development of a whole-of-government approach to promoting economic opportunities in the forest sector. There would also be a switch to demand-driven training and partnerships. The federal government recognized that it needed to be reflective of changing economic conditions and be more responsive to emerging opportunities. New and effective partnerships would result from this new framework and the role of government would be focused on areas where real economic opportunities existed. The focus would be on real tangible results.

Mr. Wilson, Natural Resources Canada, stated that the Canadian Forest Service will be adopting a new approach to supporting Aboriginal forestry, which will see the CFS work with communities to facilitate the development of projects and partnerships, including better coordination in the investments made by all federal departments and agencies. He said that this was the third workshop of eight they would be holding across the country to get a sense of what Aboriginal communities currently perceive to be

areas of opportunity, and investment priorities with regards to economic development in the forestry sector. They were looking for regional scale opportunities with strong business cases to feature in their story to other federal departments that Aboriginal forestry is investment-ready. They were looking for projects with a multi-year sustained approach and multi-community approach, where it made sense. He said that when it came to forestry initiatives, they had to make a strong case for how those initiatives address the strategic priorities in the Framework. He provided some examples of the opportunities that they were looking for such as the Whitefeather/Two Feather project in Ontario, the First Nations "Local Materials, Local Labour" Housing Initiative, the First Nations Forestry Inventory Project in Manitoba and the New Brunswick Aboriginal Forestry Initiative.

Mr. Wilson identified the key questions that needed to be considered when identifying Aboriginal Forestry opportunities and project priorities. Would it strengthen and position Aboriginal forestry-based businesses? Would it develop the skills of Aboriginal youth in forestry? Would it enhance the economic value of First Nations forest assets? Finally, would it create new partnerships with industry, governments, and Aboriginal communities? In addition, he asked the group to consider access to capital and how the ASETS program related to Aboriginal forestry. He wanted to hear what partnerships the group thought would come forward, who would be involved, and how those partnerships would work. He also described the steps moving forward. In February, workshops across Canada to identify key forest-based opportunities and partnerships would be complete. In March, the ideas would be considered in the context of the new framework and brought forward.



## Participants Comments/Questions

A participant revealed that he had mixed emotions with the FNFP coming to a close. He noted that it had taken awhile for successes to be realized in the old program. Also, Aboriginal people were not represented enough at this meeting in his view. He felt disheartened by the fact that, in most cases, economic opportunities remained unachieved. As an example, he noted that Treaty Land Entitlement process had been in place for 13 years and the surface of it was just scratched. He asked the government representatives to give the First Nations the resources. He believed this would be true economic development. He again expressed his frustration that so few Aboriginal people were present and questioned where the tribal councils and First Nations' political leaders were. Mr. Wilson responded by noting that a wide group had been invited to attend the workshop. He added that one of the goals of the new framework was to deliver resources in a better way. He acknowledged the Chief's points and confirmed that the ultimate beneficiaries of the framework would be those in the field. Success would result in a better way to deliver services. The framework needed champions and he was confident those resources were in the room.

Another participant asked about the ultimate plans for the land. He commented on how they had to have the permit before they could get the economic benefits to the communities. In the past large companies had forestry permits for 30 years and now their facilities were closed. Those companies had acquired contracts to lease land. Sections of the same types of forest no longer existed. He asked how that land would be transferred. He noted that in the past when dealing with crown land they dealt with the government as a nation. He stressed that they had never agreed to surrender the land, just agreed to share it and the benefits that came from it.

## OTHER FEDERAL PARTNERS IN ABORIGINAL FORESTRY

*Service Canada*  
*Ms. Carmen Kardoes*

Ms. Kardoes provided an overview of the evolution of Service Canada Aboriginal programming up to the new framework being introduced. The current ASETS program replaced Aboriginal Human Resources Development Strategy. ASETS supported a network of 84 Aboriginal service delivery organizations. There was a switch to three strategic priorities, which were: demand driven skills development; fostering partnerships with various levels of government and private sector; and an emphasis on accountability and results. She noted that historically there had been a lot of training for the sake of training but now Service Canada was working with labour market information and training for jobs. In addition, Ms. Kardoes highlighted the Skills and Partnership Fund and the Aboriginal Skills and Employment Partnership (ASEP) program.

Ms. Kardoes stated that, in Manitoba, Aboriginal forestry activities needed to be identified in relation to First Nations ASETS organizations. Now that the FNFP was ending, the four ASETS holders in Manitoba, that deliver \$53 million in programs, needed to know about forest management opportunities. She stressed that one of the key pillars in the new framework was partnerships and indicated that Service Canada was willing to work to bring people together to capture that funding. The participants were invited to ask questions.

## Participant Questions/Comments

A participant commented on their previous experiences with extremely tight turnaround times at Service Canada. An example was given where, after submitting a proposal for ASEP funding, they had received an email on a Friday afternoon and 48 hours to comply with supporting documents. They were unable to comply because of the tight timelines and lost out on the

funding. Ms. Kardoes stated that most of the initial review for the program was completed in Ottawa. In situations close to fiscal year end, budgets might have funds that needed to be applied within a short time frame. She ensured the specific situation would be relayed to Service Canada so that it could be reviewed.

Another participant asked if there had been any proposals relating to tourism. Ms. Kardoes informed the group that there had been no proposals in the region for tourism.

Another question asked for clarification over whether ASETS supported multiyear planning. Ms. Kardoes confirmed that it did and offered to leave contact details for any further clarification on the specific details.

One of the participants highlighted that one of the issues with the old AHRDA program was that training was used to prop up enterprises in Aboriginal communities. He hoped that his would not continue under the new program. His understanding was that it would be training to employment. Ms. Kardoes replied that they realized people would not be ready for employment in six weeks. There was a need to extend funding deadlines.

This participant also emphasized that there was a need for long-term training. He also expressed his desire not to continue partnerships with big mills. For him, it had occurred in the past and Aboriginal people had received very little from it. He did not want to see the money go to them. He asked Service Canada to forget about big partnerships and instead focus on the areas of value-added and housing. He pointed out that remote communities were different and one model didn't fit all. He asked about the area of results measurement. It was one criterion under ASETS. He gave an example where 30 people went through a Grade 12 prep course. Although

only 3 people received their diplomas, 16 others went on to upgrade. He stated that this was a measurable result.

## **WESTERN ECONOMIC DIVERSIFICATION**

*Ms. Darlene McKay*

Ms. McKay told the group that Western Economic Diversification Canada (WED) was one of six regional development agencies. They arose from the Government of Canada's view that strong regions were the building blocks of a strong nation. The presenter described WED's vision of creating a more diversified western Canadian economy with strong, innovative businesses and communities. Further, WED was not 'sector' focused, but had the following operational priorities: technology commercialization, trade and investment, and business productivity and competitiveness.

The group was told that WED had made a commitment to enhance Aboriginal participation in the economy. The presenter revealed that although there was no Aboriginal specific programming, the following mechanisms were used: Western Economic Partnership Agreements, Community Futures Development Corporations (including 14 Aboriginal CFDCs), and programs under Canada's Economic Action Plan. Ms. McKay noted that WED would be working with the new Federal Framework for Aboriginal Economic Development through the whole-of-government approach and the Strategic Partnerships Initiative (SPI). She provided a brief overview of the Federal Framework for Aboriginal Economic Development.

Ms. McKay noted that most WED offices were in First Nations communities and that WED had a community-based approach intended to provide services in communities with high Aboriginal





populations (on and off reserve) where opportunities existed. Needs and not status were the basis of action. WED allowed for tailored, results based initiatives that promoted community based models of decision making and service delivery.

WED, through the Western Economic Partnership Agreement, had previously funded two projects in the forestry sector. The first project was to expand the value added wood products program with Forintek. The second was to hire a forest innovation liaison officer to increase efficiencies in the harvesting industry. Currently WED supported a program through CFDCs to service Aboriginal clients in business start up or expansion. Also, another project conducted a sampling of 2525 forestry plots in the Highrock Forest Section of northern Manitoba. Information gathered was being used to assess long-term economic development and diversification opportunities. Overall, through the Community Adjustment Fund six projects were funded that had a direct link to the aboriginal community. Through the Recreational Infrastructure Fund eleven projects funded had a direct link to the aboriginal community.

## **PART II – MANITOBA FORESTRY OPPORTUNITIES, CHALLENGES AND INITIATIVES**

### **ABORIGINAL PERSPECTIVE**

*Chief George Kemp, Berens River First Nation*

Chief Kemp welcomed everyone and began his powerpoint presentation entitled "Berens River First Nation 2011 – Creating Jobs and Houses with Our Local Sawmill". He described a new road being constructed to rural communities in Manitoba. The road would provide better access

to opportunities for forest products and directly benefit the community. He felt the increased access would change face of his region. He revealed that he had started in the forestry industry in 1975. At that time it was a Manpower initiative. He described the importance of forest inventory, management, timber, and road building. He had worked for 15 years on the Manpower project. The province owned these logging corporations. He reflected on the 1970's time period and the ARDA agreements that came out of 1961 ARDA act. The agreement was primarily positioned to prop up and redevelop agriculture areas that were viewed as depressed. That act was designed to enhance a farming economy. Chief Kemp described how he now looked back at treaties and saw the two parties as Indians and farmers. There had always been subsidies in farming because it was deemed necessary. When Inner Lake applied under the ARDA Act, the community did not easily fit the model. It was not easy to get the same kind of subsidies for the local economy. He also gave the example of the fishing industry at Gimli, which was small, but 80% Aboriginal. A special freshwater fish marketing corporation was created.

Fishing was included under farming and it was also applied to trapping. Agreements were put in place in the mid 1970's to start an all-weather road. Chief Kemp stated his purpose was to stress that there were noteworthy points in the previous models. Under these models, logging camps and training centres were constructed. There were still people in the forestry industry who had acquired their skills there. He stressed that the system did not work with little bits and pieces of money. Access roads could cost \$100,000 per kilometer, but they were vital to economic development and he asked if that funding was available. He also asked if the forest inventory was in place to go forward. Those were both key and they required skills that needed to be developed. He stressed again that the ARDA agreement did have successes. Also, the FNFP was a highly valuable program but it never had the money required. He reflected on the licenses

held by large companies and what was happening currently. He felt that there was a reluctance on the part of the Minister to agree or inform.

He referred to that road built in 70's he had mentioned earlier and stated that it had provided access to resources. Chief Kemp asked where those resources to build a road would come from under this new framework. He stated that some communities had forest resources in their community, but no infrastructure. He asked whether the provincial government would be committed like it was in the 1970's to invest big money in this. He acknowledged that in the case of his own First Nation community they had a proper inventory. It was essential to know the type of forest resources available, have a log profile, and make decisions based on this. Chief Kemp stated that he had knowledge of the forestry sector and he just happened to be Chief and his First Nation benefited from this.

He cautioned that when constructing a plan it was important to live within the resources of the First Nation and only do what could be affordable. The community needed to be in it for the long haul. It was necessary to survey what equipment and skills were required. Planning was needed to consider which type of housing made sense. Blueprints were required. A good clean woodworking site was also a requirement. As well as committed people, a First Nation housing initiative would specifically need a line skidder, self-loading picker truck, and good saw mill yard. For the manufacturing process, the requirements were a rough cut portable saw mill, fine cut band saw mill, organized and equipped shop, and yard. Chief Kemp also listed mechanical and maintenance skills, a good sawyer, training and workshops, teamwork and dedication. Finally, he also described how the community had developed their own innovative construction practices.

He cautioned each community to construct their own plan based on their own situation. He spoke about the need for equipment and skills and investment on a large enough scale to succeed. Skills were required and they had people who had worked in the forestry industry for years.

He described how in his community, through their partnership with the CMHC, all houses were number stamped and certified by CMHC. They were constructed to CMHC standards and all designed for the local weather conditions. He identified the biggest problem as a ruling where a ticketed electrician now had to be on site for the whole wiring process. Previously, the wiring could be done by local labour and then inspected by an electrician. He expressed how difficult it was to get up north to the community to do it. This element alone was delaying projects. He identified a critical need to develop their own electricians and plumbers because the lack of this certification will be a trip wire for failure.

He also pointed out that new updated aerial photography had not been done. In some cases, beavers were not trapped and they were damaging and changing where roads could go. He noted that AHRDA agreements meant that money could not be used for multiyear projects. Another issue was a lack of warehousing. Once delivered, there were no facilities to store building materials like drywall. He stated that his community could not do value added until this issue and the lack of skilled trainers was addressed. He asked how they would be able to find skilled workers such as electricians and convince them to come to the community. He identified another problem as changes at the Chief in Council level.

One of the initiatives Chief Kemp identified as vital to success was acquiring a grade stamp for their lumber. Without a grade stamp, it was not



possible to use community lumber for the interior of the houses. The cost of Canadian Standards Lumber Association grading and stamping was \$10,000. He stated there would also be a need for local current inventory projects. He stressed the need for meaningful projects that did not waste taxpayer money. Again, he stated that the present situation went back to the treaty and which economy was supported. He expressed his desire to see meaningful projects, due diligence, and measurables to ensure they were not wasting tax money. He stated that he did not want to be accused of failing. Each remote community needed to look within their means. Finally, he stressed that these locally developed projects need sustained long-term support.

## PROVINCIAL GOVERNMENT PERSPECTIVE

*Mr. Greg Carlson, Manitoba Conservation*

Mr. Carlson gave an overview of the Manitoba government's key priorities, which included increased co-management, employment, and economic development opportunities for Aboriginal communities. He stressed the need for increased scientific knowledge and basing on the current knowledge. He described his role as manager of forestry inventory. He stated that depending on the area, some areas had been inventoried 2 -3 times. Forestry inventory was an expensive process. It cost \$70 million to survey the province including photo imagery and GIS. It took 3-4 years to complete the inventory and was a very labour intensive process.

Mr. Carlson stated the Highrock Section, which was mentioned earlier, was undergoing a second inventory and the process had been ongoing for two years. He described how the Manitoba government was responsible for the inventory of crown land. The provincial government worked with Mathias Colomb FN, FNFP, and INAC to include this forest in the project. The provincial government felt that there was one standard for the imagery and interpretation of it. As a First

Nation, it would have been considerably more expensive to do this process individually. They were taking advantage of economies of scale. Precision imagery was the by-product of this process. As a result, the First Nation was able to access and use the GIS imagery to do planning and land management. The community needed to develop capacity to use this data and INAC provided funding for this as well as the Forest Lands Inventory. The partnership provided the First Nation with a computer and software to do their own GIS work and print their own maps. Mr. Carlson reflected that the imagery provided through this process was immensely useful.

Volume Sampling in Brokenhead First Nation had established 630 plots in the Pineland forest section. In addition, 14 members received specialized training in survey work. In 2005/06, 1500 plots were established in the Saskatchewan River forest section. There was an opportunity to acquire imagery for 39,000 hectares of the Nelson River forest section. Other opportunities were also coming up. Wood supply analyses in progress included: FML-1, Pineland Forest Section, Saskatchewan River Forest Section, and FMUs 11 and 12. The process included volume sampling; a process where the forest was randomly sampled for the growth and yield to determine wood supply. This provided critical information necessary for resource planning and evaluation. He described how this would not have been possible without the directed energy of Chiefs, committed individuals, and FNFP funding.

Mr. Carlson went further to identify the benefits of forest modeling process. A sustainable forest supply was determined, resource management objectives were identified, and all the key issues in the land use base were identified. Areas were identified with specific resources, such as white spruce, as well as non-forest use areas. Not only would that determine sustainable forest supply, it would provide information on moose and fur bearing animals. He described some new economic partnerships, which had developed. There was an RFP to look at hardwood resources and a

feasibility study of a new OSB mill although this had been shelved for now because of the recession. There had been community timber awards. These were smaller very specific awards of 1,000 to 5,000 cubic metres. He also mentioned Trees for Tomorrow, a plan for 5 million trees on abandoned land or farmland.

Mr. Carlson mentioned that his presentation was a quick summary of the work of the Manitoba Forestry branch. He acknowledged that the forestry industry had been depressed for a while, but that now was a good time to explore and establish partnerships. He noted that he saw a challenge with getting strong community support because there were some barriers. He described training programs where workers needed to be away for 10-14 days. Another difficulty was establishing funding on a long-term basis for forest management. He expressed an interest in reestablishing the working group with a broader range of people included. A strategic plan was needed to diagnose synergies. He was confident that although money was tight, cooperation would allow the development of programs and that project funding could be established on multi-year timelines. This would eliminate administrative processes and the costs associated with the annual applications process.

### **Participant Comments/Questions**

An attendee asked about access to resources. It was explained that, in the past, they were limited to accessing hardwood because Tolko had been assigned access to all the softwood. He described how he recently heard that Tolko was chipping huge trees. He wanted to know why the First Nations did not have access to that lumber. He found it incredible that good lumber would be chipped close by when they had to bring in BC lumber for homes. Mr. Carlson answered that the province's interest was to get the best utility from the resource. Tolko's actions were a result

of the economic downturn in the United States. Tolko had since redirected some wood to a mill, but the situation was temporary and caused by economic conditions in the United States. He stated there would be future opportunities to look at softwood.

Another participant asked about what data was gathered about the forest in the survey. He noted that a forest changed over time. He asked whether data on soil was gathered as well and whether INAC was going to issue guidance around land use planning. Mr. Carlson answered that they were engaged in a national program and that a big part of this new initiative was to get more ecological information from the forest. It would be possible to layer GIS and other information in this survey. He described how they were moving away from an old version of inventory, which was less comprehensive.

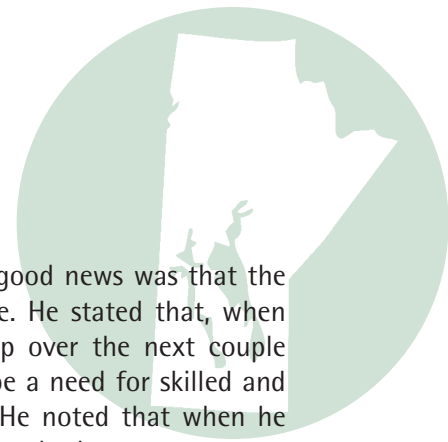
A question was raised about when there would be an inventory on the east side. Mr. Carlson answered that the inventory in that area was from the early 1980's and there was still some things that could be taken from it.

An attendee asked about the provincial inventory and whether losses and benefits had been calculated in respect to areas flooded for hydro electricity. Mr. Carlson answered that there was pre-flood information and, in some cases, post flood information.

## **FOREST INDUSTRY PERSPECTIVE**

*Mr. Wade Cable, Louisiana Pacific*

Mr. Cable told the group that he would be talking about opportunities in the forestry sector. He stated that he was not aware of the new framework, but he would talk about opportunities in the forestry sector for First Nations. He acknowledged that forestry was a cyclical



industry and that the present economic situation was as low as had ever been seen. Speaking about Louisiana-Pacific, he noted that 2006 was the last time the plant was at full capacity. This meant that 150 people employed, 206 trucks delivering wood, and 18 main contractors cutting. In 2010, only 105 people were employed. The plant had gone from operating 24/7 to 52 shutdown days with 80 trucks delivering and 10 main contractors.

He remarked that the good news was that the situation would change. He stated that, when the economy picked up over the next couple of years, there would be a need for skilled and trained trades people. He noted that when he looked at the workforce, the loggers were getting older. He thought this new framework had the potential to change things for First Nations. It should be viewed as an opportunity to turn things around.

## PART III - SMALL GROUP SESSIONS

The participants were broken into four small groups, each with representatives from First Nations, various levels of government, and the private sector. As an initial task, each group was asked to brainstorm and identify potential projects, which could be pursued under the new Framework for Aboriginal Economic Development. The groups then reported these back to the plenary. In plenary, the strongest concepts would be identified and further explored. The opportunities that resulted were:

- Housing
- Value added forest products, i.e. laminated beam
- Biomass
- Government
- Mining
- Hydro development
- Goods and services
- Tourism development
- Forest management
- Land use planning
- Trained workforce
- Once sector rebounds
- Training facilities
- Equipment operators
- Universities
- New access to resources, i.e. highway on east side of Lake Winnipeg

Four opportunities were identified as the strongest initiative opportunities. The following were chosen for further development: housing; value added forest products; biomass; and, land-use planning.

Each group was instructed to ask the following questions with regards to the opportunities:

- Why was the economic activity of particular benefit to the communities?
- What were the challenges to achieving/maximizing this opportunity?
- Who were the partners to meet the challenges and seize the opportunity?



Since the groups were essentially putting together an action plan for the approval at the associate deputy minister level, the groups were also asked to consider:

- Resource to end product
- Requirements for this project
- Partners that needed to be involved / who was already involved
- Training and skills required
- Risks and barriers going forward

In response to those questions, the following information was provided by the small group participants. Following the flipcharts notes is the summary of each group's report back to the plenary.

## **GROUP 1 – HOUSING**

### **The Problem**

- Current back log of housing in MB was 15,000 units
- Location of companies – transportation from urban to remote communities
- Lack of skilled trades in First Nations communities such as plumbing, electrical, etc.
- Lack of skills upgrading and qualified entrants to skilled trades
- Lack of warehousing and infrastructure
- Retention of skilled trades in First Nations due to lack of funding

### **Solutions to Problems**

2. Location – transportation and access

- Producing local lumber
- Identify inventory
- Access to machinery to forest stands
- Mill, harvesting equipment, skidders
- Trained and skilled labour force
- Lumber grade – to grade locally produced lumber products to meet CMHC standards
- Sustainable logging and regeneration
- Designed housing to meet local needs

### **Economic Opportunities**

- Use of local resources that maximizes economic development in communities (job creation, business development and training opportunities)

### **Partnerships**

- Manitoba Conservation
- DL Smith Consulting Advisory Services ...
- Forest Industry partners
- Training Institutions ... WRLC, UCN, RRC, ACC
- Funding Programs
- HRSDC
- Band Capital
- INAC



- AFI
- MBMF

### **Solution to Problems**

#### 3. Lack of skilled trades

### **Economic Opportunities**

- Keeping local people at work within the community
- Saving \$ because you're not experience work stoppages ... paying travel for skilled trades to come into community
- Self-sufficient Economic Development – reflective of local needs and priorities.

### **Challenges**

- Cost of training in remote communities also rural communities.
- Costs of brining in instructors/training space, lodging
- Opportunity to provide pre-employment skills training and pre-screening to ensure that potential labour pool will be able to meet minimum requirements - \$

The group reported back on the main issues surrounding Aboriginal forestry and First Nations housing. There was a backlog of 15,000 units and transferring houses to reserves was difficult. A lack of skills and qualifications for training programs existed and it was difficult to retain skilled students. They also reported back on the lack of transportation and access. The group also identified needs for machinery, training, a skilled labour force, lumber grading, and sustainable logging. The biggest challenges were described as the remote location, lack of skilled workers, and a lack of funding. In order to be self-sufficient it was determined that economic development needed to be based on local needs and priorities. This focus on local priorities was also seen as a means to retain and keep skilled local people in the community. The cost of bringing training programs to communities to remote First Nations was explored. An opportunity was identified to develop training programs in a regional setting and coordinating activities. A lack of infrastructure was identified as a real threat to economic development. One example that was given was a situation where a lack of adequate storage facilities resulted in building materials getting damaged before they could be used. The group also expressed how funding cycles for programs were out of sync and that resulted in delays and lost momentum.

## **GROUP 2 – VALUE-ADDED**

### **P1**

- Assess available resources i.e. timber/skills/technical knowledge/labour pool/ infrastructure (roads, warehousing)/project management
- Market study mainstream and remote
- Feasibility
- What to make?
- Best ROI? (bang for buck)
- Plan a full use of resource (i.e. Multiple products from tree)
- Community interest in products
- Research like businesses
- Who to sell to?
- How to capture market share?

## **P2**

- Develop partnerships
- Industry knowledge
- Strategic knowledge / multi-community initiatives
- Long term commitments
- Financing (i.e. For training, facilities, operations, capacity building)
- Public funding
- Multi-year / long-term
- Private
- Flexible / Adaptive/ Multi-use
- Facilities and workforce
- Continuous innovation
- Continuous marketing and market studies

## **P3**

- Barriers: mainstream and remote communities
- Technical and market expertise
- Access to supply (i.e. Timber resources)
- Local champion
- Seed money: for activities #1 and #2, and for manufacturing #4

This group started with specific projects but realized that there was a wide range of markets and these needed to be considered at the outset. As a result, the group switched to a broader focus. They considered how to decide what to make. They decided the following available resources needed to be considered: timber; skills; technical knowledge; labour pool; infrastructure (roads, warehousing); and, project management. They asked questions around what each community would have.

The group also felt the need to plan for a number of products so that they were using the whole tree and making the best use of the resource. The opportunity needed to be approached as a business and they needed to consider whether there was community interest. Customer research was required and they would need to know if the business would be capturing market share from someone else and if it would be local or international. They also stressed the need for a long-term vision and the need for public and private investment.

Flexibility was also identified as a key principle. This flexibility encompassed product design, workforce and underscored a constant need for innovation. It would allow for the discovery of new distribution networks, as well as research and marketing.

This group identified significant barriers in the area of value added products in Aboriginal forestry. It would be difficult to adapt a model to rural and remote communities. Technical expertise would be required since even big industry had to hire technical experts. A properly identified market would only be successful if the First Nation could access enough wood. The group felt it would be vital to have a local champion for the project. This would drive the early work which was primarily faith driven. Seed capital would also have to be secured.



Value added for remote communities was viewed as regional strategies. The development of value added in remote communities was seen as difficult. It would have to be part of a regional strategy with all agencies as keys. Without all agencies cooperating in a regional setting, the First Nations would be limited to supporting round logs. A whole new way of doing value added in Manitoba was required. This included new way of hauling in house shells and rafters, by just building house shells up north and possible building the interiors elsewhere, with the ultimate goal of moving production out to the community. The group felt warehousing would be huge problem. Rural communities had no storage so paint, drywall and other materials deteriorated or was stolen. This needed to be addressed before value added could happen in remote communities.

## **GROUP 3 – BIOMASS**

### **P1 Biomass**

- Community
- Power generation (i.e. Bruchet)
- Home heating
- Industrial (co-generation i.e. Tolko)

### **P2 Community level power**

- Oil independence (less oil required)
- Cost savings
- Some employment
- Renewable, carbon neutral
- Use residuals from local sawmill

### **Challenges**

- No inventory
- Sustainability concerns
- Infrastructure (roads)
- Construction costs
- Equipment needs
- Unproven technology
- Community capacity /skill set

### **P3 Partners**

- INAC
- HYDRO
- Community
- MC
- Local loggers haulers, plant operations, tree planting,

### **P4 Community Based Home Heat**

- INAC paying high cost of heating oil
- Opportunity – small business maintaining and firing wood boilers / possible year round work
- Partners INAC
- CHMC
- Band
- Entrepreneurs

## **P5 Challenges –Inertia (status quo was easy)**

- AAC might be allocated
- Unproven economics
- Design of system
- Capital cost
- Part of 'total energy context'
- Maintenance

## **P6 Industrial power**

### Opportunities

- Reduced oil use
- Sell power to the grid
- Better fibre utilization
- Green (carbon neutral)
- Community partnerships
- Local employment

## **P7 Challenges**

- No 'feed in tariff'
- Transportation costs
- Capital costs
- Economic analysis
- Economics driven and will change with the price of oil (uncertainty)
- Fibre supply

## **P8 Partners**

- Industry
- Hydro
- Private land owners
- Community allocations
- Green transformation funding
- P3 funding (public private partnership)

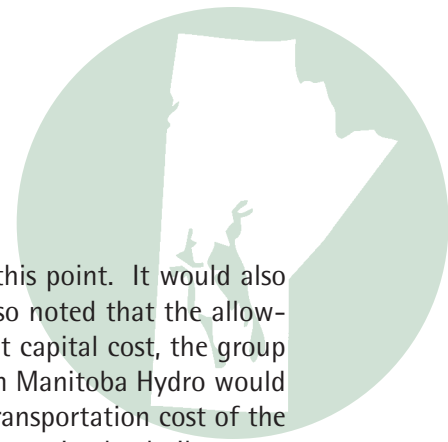
The group identified three main areas for biomass:

- Community-based power (wood fired electrical plant)
- Community-based home heating
- Industrial biomass (Tolko)

One of the benefits would be less oil dependence and communities could go off the grid. There would be better fiber usage. The group also described how biomass would create employment, was carbon neutral, and used renewable materials.

Challenges were also identified. There was no inventory in some communities. There was a lack of skills and road infrastructure. Both construction and equipment costs for the generator needed to





be identified. It was noted that this area was unproven in the north at this point. It would also be difficult to get the momentum for project development. The group also noted that the allowable cut might already be allocated in some areas. As a result of up front capital cost, the group suggested it might have to be part of total green energy plan. Prices with Manitoba Hydro would have to be negotiated. Negotiations would also have to take place over transportation cost of the biomass. Also any feasibility study would be dependent on the price of oil remained volatile.

Partners were identified as community futures funds, the green transformation fund, 3P fund (public, private partnership) as well as INAC, CFS, and First Nations.

## **GROUP 4 – LAND USE PLANNING**

- Resources required - \$ and human capacity, "capital \$"
- Determine gaps; business plans, studies
- Communicate "How to do business within and outside Aboriginal communities" – "community support"
- Aboriginal barriers
- Business/financial issues
- Extra requirements/"red tape"
- Determine economic opportunities
- Know what we have – information on land base
- Long term commitment ( 2 – 3 years)
- Partnerships

### **Solutions**

- Need appropriate \$, training and capacity to undertake Land Use study
- Partnerships; federal/provincial, private sector, universities, NF's
- Strategic plan with measurable work plan
- Review/assessment, e.g. 5 years
- Utilize existing Aboriginal business plans
- Designated Land Use planner
- Inside community
- Outside community
- Education
- Youth – future generations – training session
- Reduce Red Tape – develop business plans
- Policy change to facilitate the completion of Land Use plans
- Self-sustaining Land Use plans
- Enhance relationships
- Build trust, healing
- Components of a Land Use Plan
- Determine needs
- Determine government requirements
- Communication
- Develop check list
- Identify sources of training

The issues were described required significant amounts of resources. There was an identified lack of dedicated resources to provide capital. This included investments in human capital to do land use planning. First, gaps in planning needed to be determined. Also, communications with Aboriginal communities would also have to be considered to ensure community support. The group identified challenges with getting business plans going and the definition of economic activities. There was a lack of information about habitat requirements and a lack of long-term commitment, which handcuffed completion. They concluded the circle of partners needed to be broadened.

The group identified solutions. Partnerships would need to be new and that would require knocking on doors. Appropriate funds would have to be applied to training, so that knowledge was kept in the communities. Also, an encompassing strategic plan would be required of First Nations. The group reported how they must get on same page as business and governments and make a plan and review it every five years. In order to make this easier, they suggested utilizing existing business plans. The group also recommended communities designate land use planners and liaison with outside agencies such as mining forestry industries. The developed land use plan needed to be based on traditional knowledge and how the product had been maintained before there was trading. The group recommended the reduction of red tape in business development and land use plans. There needed to be a checklist for a land use plan with a timeline. The expectation was that First Nations would proceed at their own speed, but the timeline would be for industry to view. The group also felt that government needed to be open and accountable. Impact benefits agreements also need to be worked out.

Finally, the group spoke about the need to heal. Both sides had to heal; heal themselves and trust the government. It was necessary to sit down with each other.

## **PART IV – FINAL PLENARY/ CLOSING REMARKS**

### **FINAL PLENARY**

One of the participants noted that it didn't make any sense for every community to create a land use plan and he suggested centralizing it. There was an economy of scale and not everyone could afford land use planning. Another participant described how it was easier to go to a tribal council back home. The political leaders might be here in Winnipeg, but once percentages were taken by political levels there was nothing left for community level. A participant described how the grass roots would supply the answer. The community had to buy into any

plans. Someone replied that they needed people going to the communities to deliver this message and they asked if those 'champions' were all at this meeting. Another participant confirmed that it would have to be at the community level or through the economic development level. It would be difficult if a community did not have that. It could not be at tribal council level because the information just did not make it down the chain. The Manitoba FNFP (or the Manitoba Model Forest) was a way to get together and share the same concerns. It was not always easy, but there was faith and a common interest. The discussion closed after a participant said community leadership was the key. That was the start.



## **CLOSING REMARKS**

*Mr. Brian Wilson, Natural Resources Canada*

Mr. Wilson thanked the NRCan regional representatives for organizing the session. He expressed his appreciation to everyone who had taken the time to be there. He told the group that lots of planning led to good outcomes. Lots of ideas had come forward and they could make the real pitch. These opportunities were not waiting; it was time to move forward. He told the group that obviously it was a new role for CFS, but it was one they looked forward to. He expressed his intention to come back in April with positive news.







