

Aboriginal Forestry Workshop Economic Development Opportunities in the Yukon Territory

February 3 – 4, 2011

Yukon Inn
Whitehorse, Yukon

Meeting Summary Report



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Aboriginal Forestry Workshop

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MEETING SUMMARY

INTRODUCTION

A workshop was held on February 3rd and 4th in Whitehorse, Yukon to discuss Aboriginal Forestry opportunities in the Yukon. The Yukon 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

Dr. Bill Wilson, Director of Entomology & Phytosanitary Research and Programs, Natural Resources Canada (NRCan) – British Columbia/Yukon, provided opening remarks. He mentioned that he appreciated the participants taking time to come to this workshop. He hoped that they would identify areas and the types of activities that could be built into a business plan on Aboriginal forestry in order to compete for the government's economic development dollars. He stressed that that was a highly competitive process and they needed to come forward with a strong business model.

THE NEW FEDERAL APPROACH TO ABORIGINAL ECONOMIC DEVELOPMENT IN FORESTRY

*Mr. Brian Wilson, Natural Resources Canada
Mr. Gorazd Ruseski, Indian and Northern Affairs Canada*

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

Mr. Brian Wilson, NRCan, and Mr. Gorazd Ruseski, INAC, provided an overview of the Federal Framework for Aboriginal Economic Development. They provided a joint PowerPoint presentation entitled “Federal Framework for Aboriginal Economic Development: Supporting Opportunities in Aboriginal Forestry”.

Mr. Wilson stated that they were looking at a new approach to forestry, which involved multiple departments and tapping the spending power of all those departments. He said that this was the second workshop of eight they would be holding across the country to look at the range of possibilities with regards to economic development in the forestry sector. They were looking for regional scale opportunities with a strong business case for the spending of the federal government Aboriginal economic development funds in the forestry sector. 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 addressed the strategic priorities in the Framework. He provided some examples of diverse examples of projects and partnerships that CFS facilitated that had, or have the potential to impact the regional economy; including the Whitefeather/Two Feather projects 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. Ruseski stated that the Framework was a whole of government approach and it would be the guide for all future programs on Aboriginal economic development. He provided some history of the federal government's involvement in Aboriginal economic development and some background on the development process of the Framework. He said that while there was much more work to do, they could build on some successes. He stated that the framework emphasized capitalizing on opportunities, responding to new and changing economic conditions and leveraging partnerships. Taking into consideration what they had during the development process, there were a number of strategic priorities that were developed – strengthening

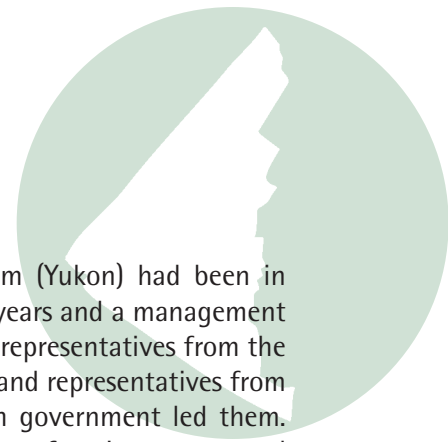
Aboriginal entrepreneurship; developing Aboriginal human capital; enhancing the value of Aboriginal assets; forging new and effective partnerships; and, as the foundation of all of those, focusing the role of the federal government. He stated that there were over twenty federal government departments with a mandate for Aboriginal economic development and they were looking at increasing coordination, while taking a flexible approach and focusing on results.

One of the participants asked about First Nation communities outside of the reserve system, namely his community of White River First Nation, and how does the Framework help them. Mr. Ruseski stated that the Framework was designed for all First Nations communities and they recognized that reserves were in different situations; the Framework was not supposed to be a "one size fits all" concept. He said that they would see in the Framework that there were areas that were not reserve-specific and he gave the example of Aboriginal business, which could be located anywhere.

OTHER FEDERAL DEPARTMENTS IN ABORIGINAL FORESTRY

*Service Canada
Ms. Angela Baker*

Ms. Angela Baker, Service Canada, provided an overview of her PowerPoint presentation entitled "Aboriginal Skills and Employment Training Strategy" dated February 3, 2011. She began by providing an overview of the evolution of Aboriginal labour market programming. The Aboriginal Skills and Employment Training Strategy (ASETS) was the new employment and training program replacing the Aboriginal Human Resources Development Strategy (AHRDS) on April 1, 2010. She explained that ASETS had a budget of \$1.6B over five years. She explained that



there were 17 ASET agreements in the BC/YT region – 2 in the Yukon and 15 in British Columbia and that there were 85 agreement holders nationally.

The three strategic priorities of ASETS were: supporting demand-driven skills development; fostering partnerships with the private sector and the provinces and territories; and, placing emphasis on accountability and results. The service delivery organizations completed strategic business plans and several noted forestry as a priority. She also provided information on the Skills and Partnership Fund, which provided similar programming as ASETS but it was available to any First Nation, Métis or Inuit organization other than the ASET agreement holders. The Aboriginal Skills and Employment Program was a national driven program with 20 projects across the country, three of which were in the forestry sector.

She advised the participants to identify First Nations Forestry Program activities in relation to First Nations ASETS organizations and approach those organizations to determine how FNFP business lines could be supported. She suggested that this could be through partnership development for: training and capacity building; forest management activities; forest-based business development; and, access to forest resources.

PART II – ABORIGINAL FORESTRY EXPERIENCES IN THE YUKON TERRITORY

FIRST NATION FORESTRY PROGRAM (YUKON)

Rose Kushniruk

Ms. Kushniruk provided an overview of her PowerPoint presentation entitled "FNFP (Yukon) Past Projects 1997-2011". She stated that the First

Nation Forestry Program (Yukon) had been in existence for fourteen years and a management committee made up of representatives from the 14 Yukon First Nations and representatives from the CFS and the Yukon government led them. They met as a Committee a few times a year and they had a smaller working group that met more often. In terms of administration, they had a half-time coordinator and a budget of \$98K. With this budget, they covered salary, rentals, Committee meetings and one regional project a year. In addition, their representatives donated their time to the project.

She explained that the objectives of the FNFP (Yukon) were: to enhance First Nations capacity to manage the forests sustainably; to enhance First Nations capacity to operate and participate in forest based development opportunities and benefits; to advance knowledge in First Nations sustainable forest management and forest-based development; and, to enhance First Nations institutional capacity at the Territorial level to support their participation in the forest-based economy.

The regional projects they choose each year involved activities that contributed to their forest economy. The committee selected the regional projects based on input from all representatives and, in recent years, they were working from a strategic plan as their guide. She explained there were many challenges; one challenge she mentioned was the fact that most forests lacked permanent roads. However, they also had unique opportunities because they were able to undertake initiatives in the Yukon that might be harder in other areas of the country because of their size.

She provided detailed information on the projects that they had worked on since their establishment in 1997. They started with community visits and the hosting of a Yukon First Nation values and principles workshop. Throughout the years, they provided or participated in a number of workshops on forest planning and management, fire suppression, sharing knowledge, for-

est inventory, technical training sessions, forest-based values and economic opportunities for Yukon First Nations, small business development ventures, among others. In addition, they had developed their website. Their current activities included: Fuel Wood Harvesting; Fire Smart and Fire Management; Commercial Timber Harvesting; Log Home building project; Spruce Bark Beetle; and, Forest Management. She added that they were not very involved in commercial timber harvesting, as it had proven to be too challenging. It was key, she explained, to try to incorporate traditional activities on the land and to ensure that proper planning was done on forest management before undertaking the development work.

The stated priorities out of their strategic planning workshop focused on: Forest Management Planning Workshop (2009); Basic Forest Inventory (2010); Forest Resources Camp for Youth; Climate Change Program; Spruce Bark Beetle; PR Public Awareness; and, Plant Inventory Workshop. She explained that their regional project in 2009-10 was a Forest Management Planning Workshop and for 2010-11 it was Basic Forestry Inventory Training.

She stated that, overall in the YT, they had done a lot with the funds that they had received and they were focused on smaller training projects to ensure that people gained entry level, transferable skills. Partnership was a focus of the new Framework but this was not new for them in the YT. She stated that she hoped that, in the new framework, they would not lose sight of the grassroots training and addressing needs identified by the communities.

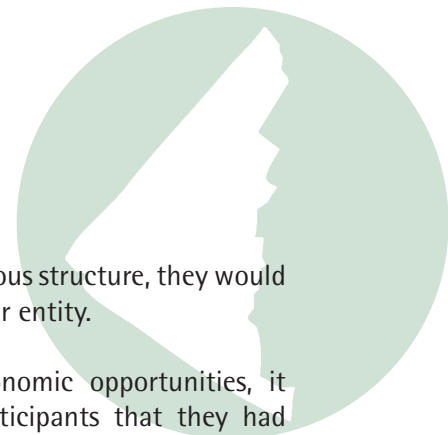
PLENARY DISCUSSION – POTENTIAL OPPORTUNITIES IN THE YUKON

Dr. Bill Wilson, NRCan, commended the participants for the work that they had undertaken in building capacity in forest management. He explained that the FNFP was undergoing a change and when talking about where they would go from here, they needed to take a look at the Framework. This Framework was the basic road map of how the federal government would work in the future with regards to economic development in Aboriginal communities. The Strategic Partnerships Initiative (SPI) was an opportunity to build on the good work that had already been done under the FNFP and allow for coordination across departments. This was a national program and the funding would be accessed through a competitive process. They needed to focus on building a case for making the forestry sector a priority. In addition, because it was a national program, they would not be looking at regional allocations of funding.

Participant Questions/Comments

A participant asked if any funds would be available regionally or would the project have to compete nationally. Mr. Wilson stated that it would be allocated on a national basis within a competitive process. This participant suggested that they would need to team up to compete for funding. Mr. Wilson agreed and added that the scale of the project would have to be bigger. A question was raised on how that coordination could take place. Mr. Wilson said that they wanted to work with the YT to see how that might work.

The next step was to discuss what the participants saw as opportunities for economic development in the forestry sector and any challeng-



es. A participant raised a concern that due to the size of the region, they did not feel that they would fare well in the SPI competitive process. It was suggested that they needed to think differently about the scale of the project and the level of partnership required. Mr. Ruseski, INAC, stated that the SPI was one tool and there were a number of programs and services that were available government wide and, once there was a sense of what they wanted to do, the project could be taken to other tables as well. The SPI, he explained, was a tool to help coordinate that process; it was not the only funding source.

A participant mentioned that it was difficult to imagine that this process would address the grassroots needs of the community and there were concerns around who would control the project if there were many partners. Mr. Wilson mentioned that they would have to look at partnership dynamics and there would be work involved in balancing that. He gave the example of the New Brunswick project, which involved more than 15 communities. He agreed that a bigger project would take additional skills and time spent on negotiation, communication and relationship building.

Participants stated that they were used to working together in the YT but they needed a central organizing body. It was noted that there were capacity issues and they needed funding to organize themselves. The scenario was given where a pipeline corridor going through the area which would require the coordination of many partners in many different activities and there were concerns raised around how that would be coordinated. Mr. Wilson stated if the region came to them with that concept, they could talk about it and facilitate building those relationships. Participants mentioned that the concern was that without the FNFP, they would not have any capacity to work on coordinating that large Aboriginal forestry project at the territorial level. Mr. Wilson stated that someone would have to take the lead on the project

and, without that previous structure, they would have to identify another entity.

When considering economic opportunities, it was noted by the participants that they had focused on smaller training projects in the past and they needed representatives of their development corporations there to have discussions on larger projects. It was explained that their smaller projects could feed into a large economic development projects.

There was some discussion around the idea of bioenergy. It was noted that they had held a conference on bioenergy and this did seem to interest people. While this was seen as an interesting idea, there was some concern among the participants that they would not be able to make those kinds of decisions at this meeting but they could share this with their own governments. Another participant mentioned that their community did not do much work in the area of forestry but they were interested in alternative fuels, such as pellets or others, and getting away from the dependency on diesel. It was noted that they wanted to look at options for sustainable fuels for their communities while considering the traditional use of the land and preservation of the environment.

Another participant mentioned that they had to keep in mind that, due to the environment, there was a slow re-growth time so they had to be careful about development. It was noted that reclamation was another good opportunity because much of the work that was done in the region in terms of development was based in mining. There were a number of support activities that could be tailored for economic development around mining operations.

It was noted that FNFP (Yukon) had developed a strategic plan and the focus was on forest resource training for youth, climate change work, plant inventory and ecosystem classification. There were also expressed needs around GIS training and log home building. It was also

suggested that since their forest resources were limited in the Yukon, they needed to designate a region that could be used for research purposes such as sampling and monitoring.

It was stressed by the participants that they could not only think from the perspective of chopping down trees because they had a number of industries that were reliant on the existence of the forests such as mushrooms and tourism. In addition, there were a number of medicinal and traditional activities that were dependent on the environment.

It was also noted that they could think about options for procurement and contracts to support different agencies such as Parks Canada. It was suggested that many land claim governments had these kinds of stipulations for economic opportunities in place. There was some discussion on how effective these stipulations were in reality and it was noted that this situation should be monitored more closely.

FLIPCHART NOTES FROM PLENARY DISCUSSION

Think:

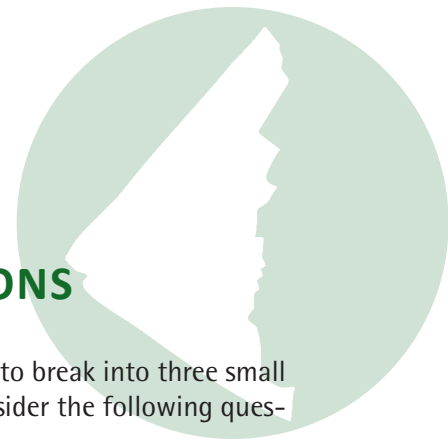
- What is a "Forest Industry" to us? It's not just construction timber
- Past Experience
- Model new idea development on past successes
- Encourage Existing "partners" to think about Economic Development ideas in Forestry
- Brainstorm on possible new industry "partners"

- Coordinating Structure
- Central Forestry Organization

Opportunities:

- Oil and Gas Pipeline as a focus for partnering
- Forest Management Planning
- Bioenergy – reduce use of petroleum
- Inventory of Forest uses over land area
- Wilderness tourism
- Non-timber forest products (birch syrup, beer, bark drums, wooden trim for housing)
- Highway passage
- Reclamation of deforestation (tree planting, forest nursery, greenhouses)
- Pine cone usage industry
- Forestry Youth Camp
- PR – Public Relations
- Plant inventory
- Eco system classification
- GIS
- Log home building
- Housing
- Research sites-Monitoring
- Traditional uses
- Carbon credits
- Forest Product export to Alaska
- Natural planting – medicinal uses industry
- Forest ventures – secondary products
- Mining support – forest based products
- Site remediation
- Log exports
- Centralized bio energy utility
- Providing Forest Ecosystem management services to Parks Canada
- Identify possible clients for possible forest based services that First Nation can offer

PART III - SMALL GROUP SESSIONS



After the plenary discussion on opportunities, the participants were asked to break into three small groups to identify a business opportunity in forestry in the Yukon and consider the following questions:

- Q1 What are the real business opportunities?
- Q2 Advantages (pros) and risks (cons)?
- Q3 What are the tools and partners necessary to bring it to fruition?
- Q4 Any tangible activities underway from which to start?
- Q5 How does it fit into each of the Framework pillars?

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

- Energy from biomass
 - Is it economic?
 - Biomass supply
 - Physical/engineering
 - Pellets
 - CA Cowashing
- Forest Management
 - Skills development
 - Information base
 - Protection of resource
 - YTG Information
- Government Service Provision
 - Parks Canada
- Housing
 - Chronic shortage of quality
 - Adjustable housing structure (scalable)
- Wood protection
 - Local use and market
 - Experts?
- Cultural Tourism
 - Getting First Nation component with forestry lands
- Non-Timber Forest Products
 - First Nations heritage products
 - Marketing Co-op

Seed funding – SPI P Nurture “Hothouse” P seek major Program funding

The presenter for the first group mentioned that they had a long discussion around energy from biomass and many questions were raised around biomass supply including pellets. Some First Nations were looking into this. The group also discussed forest management – skills development and

upgrading the information base – and looked at what information could be used to better position the First Nations in dealing with mining interests. There was some discussion over the fact that First Nations, those without self-government agreements, might have more of an opportunity, as industry was still required to consult with them on land rights issues in terms of development. They had also discussed housing since this was fundamental to First Nations and they discussed possibilities around housing as an economic development opportunity. In terms of the standard commercial forestry option, the group had some concerns because of slow growth rates, lack of market proximity and a challenging international market for the end product. One area that they were interested in was cultural tours and more directly integrating First Nations tourism initiatives into Yukon tourism.

GROUP 2

Opportunity: Services to other resource activities (mining, oil and gas) via MOUs, agreements, partnerships, etc – i.e. pads, clearing paths for pipes, management and reclamation

Advantages

- Fulfills direct needs, develops immediately required skills
- Already engaged in mining, have existing relationship for more projects
- Interest in employment on the land, with some existing training (chainsaw safety, etc.)
- Interest in business development/entrepreneurship
- Dense wood has good value

Disadvantages

- Not long terms, could be limited, does not result in broadly trained individuals
- Does not put the land and values first
- Do not currently have capacity to do the necessary ground work
- Slow re-growth compared to other areas, need to be more concerned about the impact
- Tools required
- Knowing what the environment needs/can sustain (inventory and management/ecosystems plans in place – growth cycle
- Understanding of trends (oil , gold , transportation including rail, coming to the forefront ® required rail road ties) – multiple markets
- Small business/entrepreneurial skills
- Capital
- Partners
- Industry
- Territory
- Business mentorship/market analysis expertise
- Capital (financial partners)
- Local government
- Individual and motivated entrepreneurs
- Leadership
- Cooperation between communities to go after bigger opportunities



- Rab Energy/Killredge, already supplying lumber, also investors – has led to local transportation and fuel company spin offs, infrastructure in place
- Existing relationships and MOUs with mining, oil companies
- Managing forest assets and forest based business development – forest management – inventories, etc
- Framework – entrepreneurship, skills/training, value added products, partnership with industry
- Still need to balance current resources demands with long term sustainability and nature preservation (tourism)

The presenter mentioned that they had touched on a number of different topics but stayed within the general theme of providing services to other resource activities (mining, oil and gas). There had been discussion on support activities such as pads, clearing, long-term management and reclamation.

Some of the advantages of this idea were the fact that some of these projects were already going on, there were distinct and immediate needs, employment opportunities, existing training could be applied to this work and there were individuals interested in business and entrepreneurship in this area. Some disadvantages included: this was not a long-term opportunity; some training was too specific for the work that needed to be done now and the skills gained would not be transferable; the fact that resource extraction impacts on First Nation values; slow re-growth rates; and, impact on the environment.

In terms of tools, it was also understood that land inventory and management plans needed to be in place first and trends in the industry needed to be better understood. They would also need motivated entrepreneurs and partners from other communities. Participants mentioned that there were partnerships now such as investors and existing MOUs so there were established relationships. The group believed that the opportunities discussed fit all the Framework pillars. They stressed the importance of taking the time to think about the current needs balanced against the issues of preservation and the impact of development on other initiatives such as tourism.

GROUP 3

- Centralized/Coop for forest products (primary and secondary value added)
- Incubator approach
- Local sourcing for local needs – e.g. housing-local labour/wood and heating? Bioenergy
- Currently development corporation involved in windows and buildings
- Local source for Public Sector Market
- Private sector? Ideas? Needs creative thinking
- Objective: Reduce petro based heating and increase forest bio Energy – Needs local demand strategy for public building and private houses
- Aboriginal brand
- Forest Management? Join BC FNFC – economy of scale
- Yukon Forestry Council?
- Existing resources could be brought to bear
- Devolution transfer \$ to sustain E. smith forest sector trust fund for forest renewal and other i.e. Provision for first refusal on silvicultural efforts and fire support
- Coop approach to increase and improve existing ongoing forest
- Upfront planning and thinking built in to the new idea

- Need a proponent to take the lead
- Economic development in forestry here is wrapped up with other forest values beyond timber
- “Stewards of the land” approach to Economic Development in forest management
- Yukon situation requires Yukon focus – unique
- Strategic planning with economic development options and policy climate (Does used local bioenergy and reduction in funds – Less petrol purchased?)
- Low hanging fruit
- Where are the opportunities for connecting with and helping local needs (like FNFP had been doing- could fit under umbrella of
- Nesting FNFP model of local program into new larger idea must be built into the proposal to provide incentive and space for FNFP style activity
- Who is lead? Depending on who leads, can impact where FNFP style activity fits or not. It could be lost.
- People want to participate in meaningful activities – multi skills = flexible can shift based on seasonal opportunities
- Entrepreneurship opportunities e.g. instead of firewood harvesting propose woodlot management
- FM – multi year with outputs that are measurable (Skill level, wages increase overtime plus intangible benefits – pride, hope, stability, quality of life, health)

Summary

- Dynamics in Yukon – How does the Yukon reality work/fit into the new approach
- How will bottom up and top down link?
- Who will take lead? How? Not clear/easy at this time
- Other places have recognized their potential and partnered with support for networking get organized
- Used benevolent lead
- Brought leaders together
- Step 1 - someone takes an idea and put in the effort to drive the idea and bring in help
- i.e. takes the lead and catalyzes local players
- supporting organizations (CFS)
- The idea is to mobilize and come up with an idea and approach that is needed and wanted from an area and communities

The presenter mentioned that the group had discussed ideas around forest management and bio-energy. In addition, they talked about a collective approach to business and looking at business on a global scale. In terms of economic development and forestry, they had discussed forest value beyond the timber and their role as stewards of the land. There was a concern about not losing the idea of the other uses of the forest such as non-timber uses, traditional forestry, medicinal uses and tourism. The group had stressed the importance of the fact that the Yukon situation required a Yukon solution because this region was unique with a lot of land and a low population. Participants felt that they should focus on this as a positive because it would be easier to organize initiatives here but they also had to consider that there was not much of a local market for any products.



They stressed that they could not depend on numbers so more thought would need to be given to marketing.

The participants had discussed bioenergy and the idea of replacing diesel with local woods and this seemed to fit into the stewards of the land concept. A collective and centralized approach was also discussed; this could be a Yukon wide approach. In terms of investigating alternative fuels, participants had discussed the idea that there might be some fallout due to the economics around the use of diesel currently and they would need to be strategic in their approach. There were some concerns with the idea that the needs of the local level might be lost in a larger, more global approach. There was some discussion on who would take the lead on a large project and it was noted that this could be aided by NRCan but the initiative had to start locally and regionally. It was suggested that they needed to lead with an idea, take advantage of the help available, catalyze local players, work with government to make sure the proposal fit as best as possible and make sure the approach and the project was supported by the communities.

PART IV – FINAL PLENARY/ CLOSING REMARKS

CLOSING REMARKS

Dr. Bill Wilson, Natural Resources Canada

A participant noted that they did not have a cultural centre where they could produce these cultural products in partnership with industry. There was a European market for many of these products so it would be a win-win situation for everyone but they needed to find the seed money to set it up.

Another participant mentioned that in the discussion around the new Framework, it was hoped that any new ideas that were pitched included a consideration of the spin-off effects beyond what was measurable quantitatively. It was noted that forestry initiatives could link people and cultures and many of the benefits that had been gained in the YT could not be measured tangibly. It was stated that this work was a social and community investment as well and not just economic development.

Dr. Wilson thanked the participants and the presenters from each group for their work. He said that they were getting a clear idea of the complexity of the issues. He provided some information on next steps stating that they would write up the results from the discussions and bring that back to the participants. There were still questions to be asked and talked about and they wanted to ensure that they heard the participant comments clearly and accurately. He said that they also wanted to ensure that there was broader inclusion into these discussions and said that the summary document could be shared with other First Nations from the Yukon who could not be represented at this session.

