



GESTION DES RESSOURCES FORESTIÈRES
FOREST RESOURCE MANAGEMENT

PINE FALLS Operations
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May 20, 2004

Peter Andre Globensky
Executive Coordinator
East Side Planning Initiative
4th Floor, 326 Broadway Avenue
Winnipeg, Manitoba
R3C 0S5

Dear Peter;

Re: East Side Planning Initiative

The East Side of Lake Winnipeg Broad Area Planning Initiative (ESPI) represents a significant evolution to land use planning for Manitoba. The Province is to be commended for setting out a process to bring communities and stakeholders together to develop a plan for the East Side that provides recommendations on resource development, ecosystem protection and the needs of local residents. As one stakeholder in the ESPI area, Tembec Industries Inc. is appreciative of the inherent complexity to broad area planning as well as for the opportunity to participate in the planning process.

Forests on the East Side have provided a source of timber for the paper mill in Pine Falls for over seventy-five years. A forest management system that recognizes the need for local involvement and a balance between resource use and environmental protection has evolved over this time. It is in this regard that Tembec actively participates and supports programs like Manitoba's Protected Areas Initiative, the Manitoba Model Forest, the Canadian Boreal Initiative and a number of local work groups directed to the wise use and management of forest resources.

Tembec has developed Environmental Policies and Programs to ensure that all of the company's operations demonstrate responsible stewardship of resources and continuing improvement of our environmental performance. The Impact Zero[®] program for manufacturing facilities and the Forever Green[®] program for forest operations have been established to direct Tembec's environmental management programs. The company has also achieved ISO 14001 certification for manufacturing and forestry operations and has made a commitment for Forest Stewardship Council certification for its Manitoba operations by the end of 2005.

We understand that the forestry sector is an important contributor to the Manitoba economy and in particular, for communities in Eastern Manitoba. It is also apparent that there are opportunities to enhance local prosperity by involving these



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communities in new sustainable forestry developments. Our business focus in Canada includes expanding economic and forest stewardship relationships with local Aboriginal communities. Joint venture sawmill and forest management companies, while stymied by the recent softwood lumber dispute with the US, is an example of collaborative development planned for Manitoba. In the meantime, our forestry business with Aboriginal communities continues to expand.

The following comments are offered to the ESPI secretariat for consideration during the development of a planning report to the Minister of Conservation. These comments are

Commitment to the Process

The ESPI has been in development since the late 1990's and has resulted in uncertainty for communities and stakeholders over this extended development period. Important progress has been made recently, in particular with the institution of working groups early in 2004. However, we are aware that the ESPI will not be complete to the point originally contemplated because of a variety of factors. An important question is what will happen from this time forward. It is our view that the Province must continue with the ESPI to a point where future planning and development on the East Side can occur within a clear set of policies. At the same time, the Province needs to implement a process that would allow for sustainable economic development initiatives while allowing sufficient time for the completion of the ESPI.

Development Policy

The following comments are further to the previous point. A forecast outcome of the ESPI is a set of Round Table recommendations to guide resource development. It is important that clearly articulated policies regarding the development of natural resources flow from these recommendations. These statements need to go beyond broad statements of vision and mission to provide a specific framework to guide future development proponents and the regulatory agencies responsible for policy implementation. Specific examples include a clear description of licensing processes for various activities, community involvement requirements, planning requirements and tenure options.

Pre-requisites to Economic Development

Manitoba developers and developers assessing opportunities within Manitoba require certainty in land base availability in order to make decisions on development. While the Province has identified what developments may be considered during the ongoing ESPI, the fact remains that there remains a high level of uncertainty with respect to the landbase available for development. Focused effort to complete the ESPI and the Manitoba Protected Areas Initiative is advised to see this initiative through to



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completion. This implies an enhanced level of resource allocation to develop and communicate goals and milestones and to carry on with the technical and consultation processes for protected area designations. A similar process is advised for the settlement of Treaty Land Entitlements identified within the East Side planning area.

Manitoba is a partner in the nomination to the United Nations for a World Heritage Site within the East Side planning area. What is meant by this nomination with respect to resource development is not specifically known. It is recommended that Manitoba play a more active role in reviewing this opportunity including an assessment of development guidelines and overall impact analysis associated with World Heritage Site designation.

Tembec's experience working in remote communities on the East Side as well as consultations conducted by the Round Table indicate that broad support exists for all-weather road development to most East Side communities. The Province's own studies show that the existing winter road system for the East Side is becoming increasingly unreliable and expensive in the face of shifting weather patterns. The likelihood of any new economic development in the northern portion of the East Side planning area is remote in the absence of all weather roads. It is recommended that Manitoba, in consultation with the residents of the East Side, take steps to develop an all weather road plan for the East Side.

Local Community Involvement

The ESPI has provided local communities with an opportunity to voice local values, priorities and concerns. An over-arching theme coming from communities on the East Side is a clear desire for greater involvement in land use decisions and developments. Manitoba needs to clearly identify how it will respond to these desires, what mechanisms will be put in place for community involvement and how these will guide developments. As an example, a forest development strategy for the Province of Saskatchewan stated in non-ambiguous terms the requirement for potential developers to partner with local (Aboriginal) communities. That Province also put in place human resource development plans for these communities. A review of initiatives in this neighboring jurisdiction would be a good first step for senior officials of this province.

Unemployment levels are well above the provincial average for the majority of communities within the East Side. A lack of local jobs coupled with a burgeoning population has resulted in increasing socio-economic hardship. Resource development and tourism are the key opportunities to create employment and an improved socio-economic condition for the East Side. We believe there is a strong local desire for resource and tourism developments that respect rights and protect the ecosystem. Manitoba needs to encourage these developments. The ESPI can provide a foundation for a broad-based initiative that speaks to these concerns. What is required is action that promotes community capacity for socio-economic development.



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To summarize, the various groups put in place for delivery of the ESPI are nearing the end of their mandate. While the process to date has been useful in terms of bringing diverse interests together, it is also reasonable to predict that considerable uncertainty will remain after June with respect to a path forward for land use planning and developments that lead to greater prosperity for East Side residents. The Province is advised to address this uncertainty in three ways; by focusing efforts to completing the ESPI, by developing clear policies to guide development proposals and by taking a leap forward in the execution of existing programs such as the Protected Areas Initiative.

Sincerely;

Vince Keenan
Divisional Forester
Tembec – Pine Falls

and ESPI Advisory Council Member