



Date 7 April 2011

City Council Committee Report

To: Mayor Canfield & Members of Council

Fr: Karen Brown

Re: Bill 151 – Forest Tenure Modernization and Crown Forest Sustainability

Recommendation:

That Council hereby authorizes the Mayor to send a letter to the Chairman and Committee Members of the Standing Committee on General Government with regards to Bill 151 advising of the lost opportunities of not holding consultations on this legislation in the Northwest; and

That the letter also outline the City's concerns on that proposed legislation with regards to Local Forest Management Corporations (LFMCs), the number of pilots, the time limits for evaluating the LFMCs and the increased government authority as outlined within that bill; and

That a copy of that letter be sent to the Honourable Michael Gravelle, Minister of Northern Development, Forestry and Mines and the Honourable Linda Jeffries, the Minister of Natural Resources; and

That a copy of that letter be sent to the Association of Municipalities of Ontario and the Northwestern Ontario Municipal Association and all Ontario municipalities with a request for their support on this matter.

Background:

On January 13, 2011, the Province introduced Bill 151 – An Act to enact the Ontario Forest Tenure Modernization Act, 2011 and to amend the Crown Forest Sustainability Act, 1994 (Bill 151). This legislation was intended to "modernize its forest tenure and Crown timber pricing system". This Bill has now passed its 2nd Reading in the house and has been referred to the Standing Committee on General Government for review.

The Province has now determined that it will not hold public consultation in the Northwest. The City sees this as a missed opportunity for consultations that would serve to capture the particular concerns that germane to our area.

In addition, the City has been made aware of a number of concerns related to the proposed legislation from the local forestry industry participants. These include:

- **Local Forest Management Corporations (LFMCs)** – there is no provision for any type of tenure system other than the LFMCs as proposed within the legislation. This is a “one size fits all” approach, and one that is based on an untested model. A cooperative sustainable forest license (SFL) model has already been implemented in the Kenora area between First Nations and Industry, and was supported by the Province of Ontario, and more specifically Minister Gravelle and Minister Jeffrey. The new model does not adequately provide the meaningful participation and ownership as exists within the model already in place in the Kenora area. Rather, this represents a “one size fits all” approach
- **Number of Pilots** – previously, the Ministry of Northern Development, Mines & Forestry (MNDM&F) had indicated that there were to be two pilots for LFMCs and that those pilots would be used to evaluate the proposed system. Bill 151 does not limit either the number or scope of the LFMCs.
- **Time Limits for Evaluation of the LMFCs** – there are no time limits included in the legislation for the evaluation of the LMFCs. This will result in uncertainty and reduced investor confidence in an industry where our focus should be in making that industry seen as secure, stable and predictable.
- **Increased Government Authority** – there are increases in the governmental authority that will enable government to cancel licenses, commitments and supply agreements for any reason, with no right of representation, appeal or remedy. Companies have obtained their current agreements based upon significant investments, and the inability to appeal these decisions will have a significant impact on being able to maintain current and attract new investment.

Budget:

n/a

Communication Plan/Notice By-law Requirements:

A letter outlining the City’s concerns will be sent to the Chairman and Committee Members of the Standing Committee on General Government with regards to Bill 151. Copies will be sent to Honourable Michael Gravelle, Minister of Northern Development, Forestry and Mines and the Honourable Linda Jeffries, the Minister of Natural Resources as well as the Association of Municipalities of Ontario and the Northwestern Ontario Municipal Association and all Ontario municipalities with a request for their support on this matter.