



The Teal-Jones Group

Fraser Public Advisory Group
(Fraser PAG)

Multiple Benefits to Society:
Economic and Social Benefits

Forest License A19201 & Timber
License T0822
Sustainable Forest Management



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Introduction

This document has been created to give members of the Fraser Public Advisory Group (Fraser PAG) relevant background information to participate in identifying and selecting local Values, Objectives, Targets and Indicators for Economic and Social Benefits.

The goal of this meeting is to identify values, objectives, indicators and targets for Economic & Social Benefits, considering:

- Timber & Non-timber Benefits
- Communities & Sustainability
- Fair Distribution of Benefits & Costs

In order to aid members and their respective groups, the following information is provided in this document.

- Overview of Economic and Social Benefits
- Economic and Social Benefits derived from Forest License A19201 & Timber License T0822 (the **Defined Forest Area** or **DFA**).
- Reference set of indicators from the Canadian Council of Forest Minister
- Examples of indicators used by forest companies on Vancouver Island and for the Lillooet SFMP in their Sustainable Forest Management Plans
- Draft indicators and targets for consideration by the Fraser PAG as a basis for discussion and building the sustainable forest management plan

Ideally members will review this package prior to the meeting. This will enable members to:

- Educate themselves (and their group where applicable) on economic & social benefits
- Bring forth informed ideas and opinions to the meeting
- Participate effectively and efficiently to maximize valuable discussion time at meetings

Please feel free to contact us if you have any questions on this material, or bring your questions to the meeting!



Overview of Multiple Benefits to Society: Economic & Social Benefits

Sustaining the flow of benefits from the forest for current and future generations

Forests provide a mix of benefits to society including commercial wood products, commercial and non-market goods and services, and environmental and option values. Sustainable development requires that the forest continue to provide these goods and services over the long term.

The forest products industry is Canada's largest earner of foreign exchange. It provided 339 000 direct jobs 2005 across Canada. It is estimated that the forest industry generated a total of 524 100 indirect and induced jobs in 2005. Many of these jobs are situated throughout rural areas of Canada where alternative economic opportunities are limited. Many rural communities are entirely or largely dependent on the forest sector for their economic well-being.

In addition to the significant commercial benefits derived, Canada's forests support a wide range of other activities that provide benefits including tourism, wildlife, and recreational use of the forest, aesthetics, and wilderness values. Although not always measurable in monetary terms, these activities are also highly valued by Canadians and provide significant benefits to Canadian society.¹

¹ Canadian Council of Forest Ministers Criteria & Indicators (2003) www.ccfm.org



Forest License A19201 & Timber License T0822: Multiple Benefits to Society

Timber & Non-timber Benefits

Timber

The sustainable harvest level (referred to as allowable annual cut) is determined by the Chief Forester and reviewed every 5 years after the date of the last determination. Under the Forest Act, section 7, the chief forester must consider the following factors in his/ her determination:

- the rate of timber production that may be sustained on the area, taking into account
 - the composition of the forest and its expected rate of growth on the area;
 - the expected time that it will take the forest to become re-established on the area following denudation;
 - silvicultural treatments to be applied to the area;
 - the standard of timber utilization and the allowance for decay, waste and breakage expected to be applied with respect to timber harvesting on the area;
 - the constraints on the amount of timber produced from the area that reasonably can be expected by use of the area for purposes other than timber production;
 - and any other information that, in his opinion, relates to the capability of the area to produce timber;
- the short and long term implications to the Province of alternative rates of timber harvesting from the area;
- the nature, production capabilities and timber requirements of established and proposed timber processing facilities;
- the economic and social objectives of the Crown, as expressed by the minister, for the area, for the general region and for the Province; and
- abnormal infestations in and devastations of, and major salvage programs planned for, timber on the area

The last timber supply review for the Fraser Timber Supply Area (Fraser TSA) was completed in 2004. The current AAC for the Fraser TSA is currently set at 1.27 million cubic meters. The Teal-Jones Group currently holds annual harvesting rights to approximately 314, 000 cubic meters of timber within the Fraser TSA.

Minor Forest Products

Minor Forest Products may be separated into two general categories: timber and non-timber products. Non-timber Forest Products may include mushrooms, pine boughs, moss, salal,



medicinal plants and firewood and other products. Non Timber Forest Products (apart from firewood) are not directly legislated and the Ministry of Forests does not currently manage them directly. Control of this industry would be through application of existing environmental protection legislation.

Minor timber products are covered by forest legislation. Minor timber products operations typically involve the salvage of cedar shake and shingles and Douglas Fir cants (logs that are sawn lengthwise to produce large square timbers that then may be manufactured into lumber) in previously harvested areas where the original Cutting Permit has expired. These products come from dead and downed timber and currently operators may not take standing timber. Minor timber salvage operations in the Chilliwack Forest District are managed by the Ministry of Forests and Range. A Professional Forester with the minor products company completes applications and refers its plans to the timber licensee(s) holding the chart area. Some issues that may arise between the two licensees are road use, safety, and legal obligations for stream and environmental protection and Coarse Woody Debris retention. The Ministry of Forests reviews the application and referrals and then makes a determination regarding the application. Major licensees, such as Teal, may pursue and manage a minor products license. Teal does not hold a minor products license at this time. Forest products companies may harvest minor products concurrent with their primary harvesting activities.

Tourism & Recreation

Tourism and recreation is managed by the Ministry of Tourism, Sport and the Arts (MTSA). Forest recreation on crown forest land outside of parks was mainly managed by the Ministry of Forests and Range. A government reorganization completed in February 2006 moved forest recreation management to the MTSA. A representative of the MTSA is located at each Ministry of Forests and Range Forest District Office. Forest recreation issues fall under the Forest and Range Practices Act (FRPA).

Many tourism and recreational opportunities are available within the DFA. Activities most commonly practiced include: hiking, camping, hunting, fishing, white and flat water sports, backcountry snow sports and wilderness/ wildlife viewing. There are many recreational features are located in and adjacent to the DFA on crown land such as wilderness camping sites. These sites are operated by MTSA.

Road maps showing the location of roads in the Chilliwack Forest District are available to the public at tourism centers within local communities and on the World Wide Web (see <http://www.for.gov.bc.ca/dck/Recreation/recs.html>). Teal supports efforts to compile these maps.

Communities & Stability

Forest management of the DFA contributes to the community stability of Ainslie, Boston Bar, Hope, Lytton, Mission, Pitt Meadows, Spuzzum, Yale, and to a lesser extent, Surrey and other lower mainland communities in the form of direct and indirect employment, as well as contributions to the tax base.

The stability of these communities can be supported by maximizing the value of harvested timber and managing the forest resources within current operating constraints. Current fiber agreements will help ensure that logs can be directed to the manufacturing plants best suited to extract the maximum value of the species and grade available.



The forest products industry is an important source of employment and revenue in the Fraser timber supply area. From 1993 to 1996, the annual harvest in the Fraser timber supply area averaged approximately 1.5 million cubic metres, much of which was processed in the Fraser timber supply area. Many of the forest-related jobs in Fraser Valley communities are from the primary and manufacturing sectors. Less evident are the significant number of jobs generated by forestry firms in administration, marketing, log-handling and forest service sectors, all of which contribute to the Greater Vancouver and provincial economies².

Economic benefits from a sector may be determined by deriving an estimate of the “dollar multiplier” effect. This multiplier determines how much economic activity is generated by every dollar spent within an industry or sector. Similarly there is an employment multiplier which estimates the number of jobs created by a single job in a particular industry.

Table 1: Comparison of basic sector* indicators, Fraser TSA, 1996³

Basic Sector	% Basic Employment (a)	% Basic Income (a)	Employment Multiplier (b)
Forestry	5.0	4.0	1.37-1.80
Mining and mineral processing	1.0	1.0	1.66
Fishing and Trapping	1.0	1.0	N/A
Agriculture and Food	5.0	3.0	1.28
Tourism	12.0	5.0	1.03
Public Sector	32.0	25.0	1.20
Construction	13.0	9.0	1.44

* **Basic sector** Sectors of the economy, such as forestry, tourism and mining, which create flows of income into the region and are assumed to be drivers of the local economy. Non-basic sectors, such as retail outlets, are supported by basic sectors.

(a) Values in these columns do not add to 100 as table excludes “other” category and transfer and investment related income.

(b) **Employment multiplier:** An estimate of the total employment supported by each direct job, for example a multiplier of 2.0 means that one direct job supports one additional indirect and induced job.

Direct Employment

Teal currently employs approximately 20 full time positions, including jobs in administration, planning, management and logging operations at its Pitt River operation.

² Fraser Timber Supply Area Information Report, May 1997

³ Modified from Table 9 of the Fraser Timber Supply Area Analysis Report, December 2003



May Trucking Ltd. based in Hope, British Columbia, is a primary contractor for Teal and manages the remaining logging operations (Hatzic, West Harrison, Coquihalla, and Boston Bar) from its Hope office. May Trucking operates their own logging crew and also hires independent contractors to conduct some logging phases. Some contractors complete the “stump to mill” phases and others are “stump to roadside”. When fully operational, May Trucking and its subcontractors employ approximately 30 to 40 people. May Trucking employs a logging crew (stump to roadside) from the Boston Bar First Nation. May Trucking also has approximately 3 summer engineering field positions that are available to members of the Boston Bar FN and the Boothroyd Indian Band. Most of May Trucking’s employees reside in the communities of Boston Bar, Hope and Chilliwack.

Teal and May Trucking also employ contractors who carry out forestry projects such as stream cleaning, silvicultural surveys, tree planting, brushing and weeding, and fertilization. Contractors have also been employed in planning, and developing recreation and visual landscape inventories.

Teal and May Trucking give preference to local contractors, including the Boston Bar FN and Boothroyd Indian Band to carry out stream cleaning, silviculture activities and other related projects.

Employment statistics vary by the time period, region and industry sectors that they report on. In the Fraser Valley Regional District (associated with a large portion of the DFA), direct forestry directly employed 1,465 people⁴ in the year 2000. For the entire Fraser Timber Supply Area, direct and indirect business activity (including harvesting, processing, transport, and the forest industry supply and service sector) in 1991 supported 5% of the basic labour force⁵.

Indirect Employment

Indirect employment is difficult to measure, however where forestry is the main employment sector, it is safe to assume that most other business in the smaller communities such as Boston Bar and Hope are indirectly dependent on the forestry sector for business environment stability. The “employment multiplier” is one of the more practical methods to determine indirect employment.

Fair Distribution of Benefits and Costs

Contributions to Society

Forest companies are charged a fee by government for harvesting trees from public land (called stumpage). The stumpage rate is based on average domestic log prices and takes into account operating costs and reforestation expenses. Stumpage revenues are paid directly into the general revenue account of the province of BC. In turn, stumpage fees are used to contribute to society’s needs and values such as health care, education and transportation. A portion of the stumpage is re-invested in the forest through the Forest Investment Account. These funds are administered by the provincial government and distributed to forest companies for specific forest investment

⁴ Source: Chilliwack Statistical Profile
(http://www.chilliwackpartners.com/community_profile/statistical_profile/files/workforce.pdf)

⁵ Fraser Timber Supply Area Information Report, May 1997



projects and activities. These projects are audited against their individual approved work plans and budgets. Projects that forest licensees may target for these monies include:

- Higher-level strategic decision-making and planning,
- Improved timber volume and value,
- Improved biodiversity and site productivity
- Informed resource management decision making

(for more details see <http://www.for.gov.bc.ca/hcp/fia/>).

Investment in Workers

Workers within the DFA are required to undergo regular training on safety and first aid, environmental, and quality control aspects of their job.



General Guidelines for Choosing Local Values, Objectives, Indicators and Targets

The following is a summary of the CCFM Criteria and CSA Elements, which will serve as a starting point for organizing the values and objectives of the DFA. Where local level values and objectives do not fit into CSA Elements, new elements may be developed.

CCFM SFM Criteria 5: Multiple Benefits to Society

Sustain flows of forest benefits for current and future generations by providing multiple goods and services.

CSA SFM Element 5.1 Timber & Non-timber Benefits

Manage the forest sustainably to produce an acceptable and feasible mix of both timber and non-timber benefits.

CSA SFM Element 5.2 Communities & Sustainability

Contribute to the sustainability of communities by providing diverse opportunities to derive benefits from forests and to participate in their use and management.

CSA SFM Element 5.3 Fair Distribution of Benefits & Costs

Promote the fair distribution of timber and non-timber benefits and costs.



Canadian Council of Forest Ministers

Indicators

5.1 Productive capacity

In order to ensure that resources are conserved while still maintaining a satisfactory flow of benefits, efforts must be made to ensure that extraction is not allowed to exceed the long-term productive capacity of the resource base to provide a wide range of goods and services. Excessive rates of extraction are unsustainable and inconsistent with the concept of sustainable forest development.

5.1.1 Annual removal of forest products relative to the volume of removals determined to be sustainable

5.1.2 Distribution of, and changes in, the land base available for timber production

5.1.3 Animal population trends for selected species of economic importance

5.1.4 Management and development expenditures

5.1.5 Availability of habitat for selected wildlife species of economic importance

5.2 Competitiveness of resource industries (timber/ non-timber related)

The sustainable development concept recognizes the direct linkage between environment and economy. In order to ensure that economic benefits continue to flow to Canadians, it is vital that a fair and competitive investment climate be maintained within the forest sector. A competitive rate of return is essential if Canada's various forest-based industries are to attract the necessary capital for maintaining their capacity to create jobs and incomes for Canadians.

5.2.1 Net profitability

5.2.2 Trends in global market share

5.2.3 Trends in research and development expenditures in forest products and processing technologies



5.3 Contribution to the national economy (timber/ non-timber sectors)

Another important consideration for this criterion is the question of the distribution of wealth. Sustainable development involves more than simply maximizing economic development. It also requires consideration of the way in which wealth from development is distributed to society. Wealth from forest use flows to Canadians through the market economy (which can be measured with economic indicators such as gross domestic product and employment) and through the subsistence economy (involving income in-kind from the extraction and use of fuel wood; building materials; meat, fish, and fur products; medicinals; etc.).

5.3.1 Contribution to gross domestic product (GDP) of timber and non-timber sectors of the forest economy

5.3.2 Total employment in all forest-related sectors

5.3.3 Utilization of forests for non-market goods and services, including forest land use for subsistence purposes

5.3.4 Economic value of non-market goods and services

5.4 Non-timber values (including option values)

A wide range of non-timber values are associated with forests including recreation values, tourism values, existence values, and option values. As Canadian society becomes more affluent and the Canadian economy evolves to a more urban industry-based/service-oriented economy, the importance of non-timber values may be expected to increase.

5.4.1 Availability and use of recreational opportunities

5.4.2 Total expenditures by individuals on activities related to non-timber use

5.4.3 Membership and expenditures in forest recreation-oriented organizations and clubs

5.4.4 Area and percentage of protected forest^e by degree of protection^d

^c As defined by the Canadian Biodiversity Strategy.

^d As established by Categories I to VI of the IUCN Guidelines for Protected Area Management.



Example Indicators - Other Forest Companies

CCFM Criterion 5 – Economic and Social Benefits

CSA SFM Element 5.1 Timber and Non-Timber Benefits					
Company	Operation	Value	Objective	Indicator	Target
Teal Cedar Products Ltd. (Teal-Jones Group)	Southwest Island Timberlands (TFL 46, TL T0910 and FL A52027)	Timber	Sustainable harvest levels	Annual harvest levels relative to the volume of harvesting determined to be sustainable in the Allowable Annual Cut Determination	100% compliance with Allowable Annual Cut over Cut Control Period
		Minor Forest Products	Improve utilization of forest through Minor Forest Products harvesting	Annual volume (cubic metres) of Managed Minor Forest Products harvested (Douglas fir and cedar salvage)	Provide opportunities for Minor Forest Products as requested and as available
				Opportunities for Unmanaged Minor Forest Products harvesting initiatives	Provide support for unmanaged Minor Forest Products harvesting initiatives as requested and as available
		Recreation & Tourism	Visual Quality	Visual Quality Objectives are met in visually sensitive areas	100% compliance with legislated Visual Quality Objectives
		Special sites	Manage rare or unique sites of ecological, geological, historical or cultural importance in a manner that recognizes their special qualities	Protection of sites of special significance	Complete a strategy for management of sites of special significance by December 2006
		Hunting & Fishing	Provide access to hunting and fishing grounds	Public Access	Public has full access to TFL (open gate policy)



CSA SFM Element 5.1 Timber and Non-Timber Benefits					
Company	Operation	Value	Objective	Indicator	Target
Lillooet Timber Supply Area SFMP Proponents: 1) Ainsworth Engineered Canada L.P. 2) BC Timber Sales 3) Lytton Lumber Ltd. 4) The Teal-Jones Group	1) Lillooet Operation	Sustainable flow of timber and non-timber benefits	A full range of non-timber forest products	Percent Age Class (Seral Stage) Distribution by Landscape Unit by Biogeoclimatic Zone by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
	2) Kamloops Business Area		A full range of recreation opportunities	Percent Area less than VEG [Visually Effective Green-up] by VQO [Visual Quality Objective] by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
	3) Lytton Lumber Ltd.			Percentage of known pre-existing recreational trails retained for continued recreational use annually in harvested areas by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
	4) Lillooet Logging Division		A full range of tourism opportunities	Percent Area less than VEG [Visually Effective Green-up] by VQO [Visual Quality Objective] by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
Weyerhaeuser	West Island Timberlands	Non-timber forest products	Forest management practices continue to provide opportunities for Non Timber Forest Products harvesting	WY completes an information session with Royal Rhodes University NTFP experts	WIWAG gets information on NTFP's and forest management practices



CSA SFM Element 5.1 Timber and Non-Timber Benefits					
Company	Operation	Value	Objective	Indicator	Target
Weyerhaeuser	West Island Timberlands	Non-timber forest products	Variety of habitats support sustainable production of NTFP's (e.g., mushrooms, berries, floral products, medicinal plants, etc)	<p>Number of units (as defined below) where inadequate old growth (as defined below)as:</p> <p><i>A unit is:</i> Variant within a landscape unit within the DFA that is greater than 250 Hectares</p> <p><i>Inadequate is defined as:</i> the provincial guidelines</p>	Do not increase the number of units where inadequate old growth exists
		Timber harvest	Maintain harvest at LTHL as it applies to the harvestable land area	Annual harvest (5 year average) as percent of LTHL	± 10% of LTHL for 2003-2005
Western Forest Products Inc.	North Vancouver Island Region	Sustainable Forest Resources	Effective regeneration of forests	Average time to reforestation	Average time to reforestation
			Sustainable harvest levels	Compliance with Cut Control	100% compliance with cut control. Every 5 th year, the 5-year accumulated cut control will be reported
				Projected percent change in AAC (over 200 years)	Maintain 5% per 5 year period in TFL, or 10% per decade in Forest Licence
			Timber resource managed to maximize value	Dollars invested in enhanced forestry	Dollars invested in enhanced forestry



CSA SFM Element 5.1 Timber and Non-Timber Benefits					
Company	Operation	Value	Objective	Indicator	Target
Western Forest Products Inc.	North Vancouver Island Region	Sustainable Forest Resources	Timber resource managed to maximize value	Annual volume (cubic metres) of cedar salvage	7,500 m3
		Non-commercial values	Activities respect significant recreation, tourism features and user requirements	Number of recreation areas maintained	14 sites
			Activities respect significant recreation, tourism features and user requirements	Dollars spent locally on forestry public awareness and education	\$80,000
			Access to forest resources	Km active road maintained and open to public access	1,000 km
			Scenic qualities are managed	Percentage of VIA's completed	100% of required VIA's completed
Canadian Forest Products Ltd.	Englewood Division	Sustainable harvest levels	Maintain sustainable harvest levels	Allowable Annual Cut (AAC) as predicted through long-term harvest level projection and determined by the Chief Forester	Harvest the AAC allocation over the 5 year cut control period (\pm 10% over 5 year period)



CSA SFM Element 5.1 Timber and Non-Timber Benefits					
Company	Operation	Value	Objective	Indicator	Target
Canadian Forest Products Ltd.	Englewood Division	Sustainable harvest levels	Maintain sustainable harvest levels	Harvest profile by: economic operability, physical operability, technical operability (conventional/unconventional harvest systems), tree species, season and second growth	Up to 25% variance with any harvest profile established for TFL 37 MP 8 over its term



CCFM Criterion 5 – Economic and Social Benefits

CSA SFM Element 5.2 Communities and Sustainability					
Company	Operation	Value	Objective	Indicator	Target
Teal Cedar Products Ltd. (Teal-Jones Group)	Southwest Island Timberlands (TFL 46, TL T0910 and FL A52027)	Employment	Stable, full time jobs provided from TFL 46	Number of full time jobs per cubic meter harvested	Create a benchmark for number of jobs per cubic meter harvested by April 1, 2007
Lillooet Timber Supply Area SFMP Proponents: 1) Ainsworth Engineered Canada L.P. 2) BC Timber Sales 3) Lytton Lumber Ltd. 4) The Teal-Jones Group	1) Lillooet Operation 2) Kamloops Business Area	Utilization of Timber	Increased utilization levels by plan proponents	Percentage of Small Scale Salvage Requests Granted per year by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
				Volume of Timber made Available Annually for Local Community Processing by Type by Location by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
	3) Lytton Lumber Ltd. 4) Lillooet Logging Division	Public Participation in the use and management of the forest resource	Diverse opportunities for public participation in the use and management of the forest resource	Ratio of number of licensee responses to information requests by First Nations and by Group and by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
				Number of Public Educational Opportunities by Educational Type by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet



CSA SFM Element 5.2 Communities and Sustainability					
Company	Operation	Value	Objective	Indicator	Target
Weyerhaeuser	West Island Timberlands	Parks and Ecological Reserves	Management planning considers the location and characteristics of protected areas within respect to connectivity, fragmentation, representative ecosystems, etc.	Percent of harvesting adjacent to parks that is Variable Retention	80% in 2003 - 2005
			Management planning considers the location and characteristics of protected areas within respect to connectivity, fragmentation, representative ecosystems, etc.	Percent of park perimeter harvested within previous 5 years	7% by 2005
		Recreation and tourism	Weyerhaeuser is respectful of the high value of tourism and recreation and other user activities within the DFA	Percent of roads from recreation road inventory that are maintained	Maintain 90% access to major recreation areas as identified by the road inventory
				Percent of DFA covered by a recreational inventory	Maintain existing inventory of recreational values and incorporate into planning process
				Number of hectares in which visual condition fails to meet Visual Quality Objectives	Reduce the number of hectares from previous reports



CSA SFM Element 5.2 Communities and Sustainability					
Company	Operation	Value	Objective	Indicator	Target
Western Forest Products Inc.	North Vancouver Island Region	Viable resource businesses	Availability of Industrial land	ha of land base withdrawn from forestry uses	ha of land base withdrawn from forestry uses
			Viable local value-added manufacturing sector with access to raw material at fair market price	Volume of wood from DFA sold locally	20,000 m3 (sold annually)
		Community Stability	Employment and Youth	Summer employment and youth opportunities	Develop a target before summer 2005
			Opportunity for people who grow up in area to stay and work in area	Percent of new hires that are local	90%
			Opportunities for a range of non-timber businesses	Number of business licenses operating in DFA	Report number of business licenses
			Stable, full time jobs provided from forest resource	Number of hauling days	180 days
			Stable, full time jobs provided from forest resource	Number of full time employees	663



CSA SFM Element 5.2 Communities and Sustainability

Company	Operation	Value	Objective	Indicator	Target
Canadian Forest Products Ltd.	Englewood Division	Multiple benefits from the DFA forests	Manage the full spectrum of outdoor recreational opportunities within the DFA	Area managed for recreation sites	Maintain the eight campsites located on the DFA between June 15 and September 15 each year
			Manage the full spectrum of outdoor recreational opportunities within the DFA	Number of interpretive forest trails maintained	Inspect three interpretive trails on the DFA annually. Maintain as required.
				Area managed for recreational features, as the District Manager identifies them	Establish management areas for recreational features, as the District Manager identifies them
				Area managed for cave and karst features, as they are located	Establish management areas for cave and karst features, as they are located
			Maintain the existing level of opportunities for guiding, trapping, hunting, and wildlife viewing	Seral stage representation by LU and BEC variant	Achieve seral stage representation objectives ($\pm 10\%$) by LU and BEC variant as detailed in the SFM plan, within three rotations, with focus on old seral until January 2004. Review every 5 years
			Area in DFA managed for black-tailed deer and Roosevelt elk critical winter range	Maintain $\geq 6,000$ ha as winter range for ungulates. Develop a strategy by July 1, 2001.	



CSA SFM Element 5.2 Communities and Sustainability					
Company	Operation	Value	Objective	Indicator	Target
Canadian Forest Products Ltd.	Englewood Division	Multiple benefits from the DFA forests	Maintain the existing level of opportunities for guiding, trapping, hunting, and wildlife viewing	Area in LU and BEC variant managed for black bear habitat	Identify and manage areas of high and moderately high suitability for black bear denning habitat and seasonal foraging habitat, by March 31, 2003
Canadian Forest Products Ltd.	Englewood Division	Multiple benefits from the DFA forests	Management practices that recognise cultural features and values	Damage to known archaeological sites	Zero known archaeological sites damaged as a result of Canfor's harvesting activities, unless approved through a permit process
				Management of cultural features, as they are located (i.e., control on accidental harvest of known CMT's)	In consultation with First Nations, establish management zones around cultural features as they are located, and where worker safety is not compromised (i.e., zero known CMT's accidentally harvested)
			Maintain or enhance aquatic habitat	Percent of harvested areas adjacent to streams, lakes and/or wetlands that have riparian management areas that are suited to protection of the associated aquatic habitat.	100% of cutblocks adjacent to streams, lakes and/or wetlands must meet or exceed regulatory requirements for riparian management unless the District Manager approves a variance.



CSA SFM Element 5.2 Communities and Sustainability					
Company	Operation	Value	Objective	Indicator	Target
Canadian Forest Products Ltd.	Englewood Division	Multiple benefits from the DFA forests	Maintain or enhance aquatic habitat	Kilometres of streams classified	Determine the classification of 1,032 km of unclassified strategic streams on Canfor's operational base by December 31, 2003
Canadian Forest Products Ltd.	Englewood Division	Multiple benefits from the DFA forests	Facilitate and integrate the use of and harvest of botanical products in Canfor's forest development plans	Access to harvest non-timber botanical forest products	Provide safe access to forest through routine maintenance of roads in the DFA required for forest harvesting
				Seral stage representation by LU and BEC variant	Achieve seral stage representation objectives ($\pm 10\%$) by LU and BEC variant as detailed in the SFM plan, within three rotations, with focus on old seral until January 2004. Review every 5 years
			Maintain known scenic areas	Block layout conformance with recommended visual quality classes identified in SP's	Block layout is 100% in conformance with recommended visual quality classes as identified in SP's, unless the District Manager approves a variance



CCFM Criterion 5 – Economic and Social Benefits

CSA SFM Element 5.3 Fair Distribution of Benefits and Costs					
Company	Operation	Value	Objective	Indicator	Target
Teal Cedar Products Ltd. (Teal-Jones Group)	Southwest Island Timberlands (TFL 46, TL T0910 and FL A52027)	Contributions to society	Provide monetary benefits to society	Revenues paid to Crown	Pay revenues to crown as required by stumpage or market rates
		Contributions to local communities	Support for local projects within the TFL	Dollars or in kind support of local resource projects	Report annual contributions plus any reimbursements from other funding sources
			Employment opportunities for local communities	Number of new employees hired from local communities	Prioritize hiring from local communities
			Utilize local businesses	Supplies and Services hired locally	Where economically feasible hire local suppliers and services
		Investment in TFL Workers	Opportunities for workforce training and skill development	Conformance with internal mandatory training requirements	Full conformance



CSA SFM Element 5.3 Fair Distribution of Benefits and Costs					
Company	Operation	Value	Objective	Indicator	Target
Lillooet Timber Supply Area SFMP Proponents: 1) Ainsworth Engineered Canada L.P. 2) BC Timber Sales 3) Lytton Lumber Ltd. 4) The Teal-Jones Group	1) Lillooet Operation 2) Kamloops Business Area 3) Lytton Lumber Ltd. 4) Lillooet Logging Division	Fair Distribution of timber and non-timber benefits and costs	A range of timber and non-timber benefits and costs	Number of Contracts and Total Contract Value Issued to Local Contractors by Contract Type by Plan Proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
				Percentage of AAC harvested by plan proponent	Contained in Lillooet SFMP Detailed Indicator Sheet
Weyerhaeuser	West Island Timberlands	Community Stability	Contribute to and support local economic benefits	\$ of WIT wages, salaries, contracts compared to previous years (revised)	Maintain or increase total \$ amount of WIT contracts, wages & salaries
				The portion of employment spending that is within the AC region	Benchmark total regional employment spending related to WIT



CSA SFM Element 5.3 Fair Distribution of Benefits and Costs					
Company	Operation	Value	Objective	Indicator	Target
Weyerhaeuser	West Island Timberlands	Community Stability	Contribute to and support local economic benefits	Employee & contractor (to include small bus, logging & silviculture contractors) jobs/cubic meter of fibre logged within the DFA 1 FTE = 1,600 hrs/yr	Benchmark the ratio of jobs to cubic meters harvested or processed
				The portion of jobs (as stated above) that are within the AC region	Benchmark the portion of all harvesting & processing jobs that are within the AC Region
				Number of local (AC Region) processing jobs (including Coulson & Norske) that are associated with fibre from the DFA 1 FTE = 1,600 hrs/yr	Benchmark the processing jobs within the AC Region that result from DFA fibre
				Total percent of Major Contractor non-wage spending within the AC region as a % of total non-wage expenditures. Major contractors defined as Mars, McKay, Hayes, Newco & Can. Aircrane	Benchmark percent of Major Contractor non-wage spending within the region as a % of total non-wage expenditures (supplies, equipment, etc.)



CSA SFM Element 5.3 Fair Distribution of Benefits and Costs					
Company	Operation	Value	Objective	Indicator	Target
Weyerhaeuser	West Island Timberlands	Community Stability	Contribute to and support local economic benefits	Total % of WY non-wage spending that is within the AC Region	To benchmark WY non-wage spending within the AC Region
			Local WY Divisions and their major contractors have policies or procedures in place that give preference to local hiring and contracting	Weyerhaeuser is unable to respond to this goal	
			Local WY Divisions and their major contractors have policies or procedures in place that give preference to local hiring and contracting	Number of all contracts & their subcontractors & the portion of those that live in the AC region	To benchmark the portion of all contracts & their subcontractors that live in the AC Region
			Community stability is enhanced by a balanced annual extraction rate	Annual harvest level compared to last 5 years	Annual cut is within – 15%/+25% of previous 5 years
			Local (within the AC Regional District), manufacturing capacity is increased	Conversations with the Advisory around conversion of 2 nd growth fibre locally have taken place	A strategy is developed to support 2 nd growth mills by 2004
				Annual harvest compared to local log consumption that is provided by WY	Maintain or increase ratio of logs consumed locally by WY operations VS. WIT harvest



CSA SFM Element 5.3 Fair Distribution of Benefits and Costs					
Company	Operation	Value	Objective	Indicator	Target
Weyerhaeuser	West Island Timberlands	Timber companies	The company and its major contractors re-invests a portion of their profits into operation upgrades, etc.	Total \$ spent on capitol improvements in WY mill facilities	Benchmark \$ spent on capitol improvements in WY mill facilities
Western Forest Products Inc.	North Vancouver Island Region	Economic Prosperity	Prosperous forest industry	EBITDA	\$120,000,000(5 year average)
		Responsiveness to social values	Revenues to Crown as determined applicable by stumpage or market rates	Crown Revenues	Consider and indicator by 2006
			Opportunities for workforce training and skill development	Percent compliance with internal mandatory training requirements	Percent compliance with internal mandatory training requirements
			Companies support local businesses	Percentage of annual dollars spent on local suppliers, contractors & consultants	To maintain or increase the percentage of expenditures on local suppliers, contractors and consultants
Western Forest Products Inc.	North Vancouver Island Region	Responsiveness to social values	Companies are good corporate citizens	Dollars are in-kind contributions provided to public projects	Report annual contributions plus any reimbursements from other funding sources cost shared or managed by WFP



CSA SFM Element 5.3 Fair Distribution of Benefits and Costs					
Company	Operation	Value	Objective	Indicator	Target
			Mange for social values in forest management planning	Number of VINWAG meetings held per year	5 meetings / year
			Mange for social values in forest management planning	Percent of key sectors represented at VINWAG meetings	100%
Canadian Forest Products Ltd.	Englewood Division	The economic viability of Canfor, employees and contractors	Promote Canfor as a globally competitive forest products company	Shareholder value (\$/m ³ /yr)	Maintain AAC with a profit as indicated by a positive contribution to shareholder value (\$/m ³ /yr)
			Employment opportunities	Allowable Annual Cut (AAC) as predicted through long-term harvest level projection and determined by the Chief Forester	Harvest the AAC allocation over the 5 year cut control period (± 10% over 5 year period)
			Provide local access to raw material at fair market price	Volume of harvest made available for local purchase at fair market price	A minimum of 50,000 m ³ /yr will be available for local purchase at fair market price
			Balance timber utilization with economics and ecology	DFA scale annual billable waste remaining in cutblocks	Over the DFA, annual billable waste <50m ³ /ha in old growth timber, and <25m ³ in second growth stands



Draft Target and Indicators for the DFA

CCFM Criterion 5 – Economic and Social Benefits

CSA SFM Element 5.1 Timber and Non-Timber Benefits				
Value	Objective	Indicator	Target	Variance
Timber	Sustainable harvest levels	Annual harvest levels relative to the volume of harvesting determined to be sustainable in the Allowable Annual Cut Determination	100% compliance with Allowable Annual Cut over Cut Control Period	Harvest levels may exceed AAC by 10% per Cut Control Period; however the excess amount is subtracted from the following Cut Control Period. Where harvest levels are below AAC in a Cut Control Period, unharvested portions may be assigned to other licensees.
Minor Forest Products	Improve utilization of forest through Minor Forest Products harvesting	Annual volume (cubic metres) of Douglas fir and cedar salvage	Provide opportunities for Minor Forest Products as requested and as available	Zero
Recreation & Tourism	Visual Quality	Visual Quality Objectives are met within high traffic public roads	100% compliance with legislated Visual Quality Objectives	Zero



CSA SFM Element 5.1 Timber and Non-Timber Benefits				
Value	Objective	Indicator	Target	Variance
Special sites	Manage rare or unique sites of ecological, geological, historical or cultural importance in a manner that recognizes their special qualities	Protection of sites of special significance	Complete a strategy for management of sites of special significance by December 2006	Zero
Hunting & Fishing	Public access	Provision of key for gates throughout the DFA to Wilderness Watch volunteers & Conservation officers	General public has limited access.	Public access is restricted where safety, vandalism or illegal hunting/ fishing activities are know to be concerns.
	Support of Conservation Officer & other initiatives to mitigate the impacts of illegal harvesting of fish and wildlife			



CSA SFM Element 5.2 Communities and Sustainability				
Value	Objective	Indicator	Target	Variance
Employment	Stable, full time jobs provided from the DFA	Number of hauling days	180 days	-10 days (shutdowns due to weather constraints such as high fire hazard or heavy rainfall events or market conditions)



CSA SFM Element 5.3 Fair Distribution of Benefits and Costs				
Value	Objective	Indicator	Target	Variance
Contributions to society	Provide monetary benefits to society	Revenues paid to Crown	Pay revenues to crown as required by stumpage or market rates	Zero
Contributions to local communities	Support for local projects within the DFA	Dollars or in kind support of local projects	Report annual contributions plus any reimbursements from other funding sources	Zero
	Employment opportunities for local communities	Number of new employees hired from local communities	Prioritize hiring from local communities	Experience, education, and references are also considered in choosing candidates for employment
	Utilize local businesses	Supplies and Services hired locally	Where economically feasible hire local suppliers and services	Where supplies or services are unavailable locally, other businesses will be utilized Experience, competitive pricing and capacity are also considered when choosing suppliers and services
Investment in Workers	Opportunities for workforce training and skill development	Compliance with internal mandatory training requirements	Full compliance	+/-10%