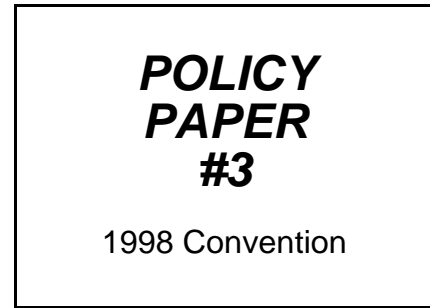


TO: UBCM Members

FROM: COMMUNITIES AND RESOURCES COMMITTEE
Mayor Steve Thorlakson, Chair
Mayor Jim Lornie
Mayor Corinne Lonsdale
Councillor Bob Balcaen
Councillor Bonny Hawley
Councillor Phil Berukoff



DATE: August 20, 1998

RE: **ACTION PLAN FOR ACHIEVING
SUSTAINABILITY FOR RESOURCE-BASED
COMMUNITIES**

1. DECISION REQUEST

To review the recommendations from the June Symposium "Achieving Sustainability for Resource-Based Communities" and consider the following Action Plan for 1998-99 by the Communities and Resources Committee.

2. BACKGROUND

At the 1993 UBCM Convention, members approved the policy statement "Towards a Communities and Resource Strategy." This included a set of principles and a three part strategy for ensuring the sustainability of BC's resource-based communities. These became the mandate of the UBCM's Communities and Resources Committee. This report concentrated on the impact of provincial planning processes and the need for certainty in order to create some stability for resource communities.

Now, five years later the province's resource communities, particularly forestry and fishing, are facing serious problems that have ramifications for the economic and social health of BC as a whole. The fears expressed by many communities in 1993 have been realized; increased unemployment and layoffs, business closures and relocations and escalating social problems. While the concerns of uncertainty in 1993 related primarily to the provincial planning processes, communities are finding that the source of their uncertainty in 1998 has broadened to include other intangibles such as changing global market conditions due to the Asian crisis, fluctuations in the American markets and the threat of European boycotts.

To examine the issues, the Committee held a symposium on June 19 and 20th, 1998 on the topic of "Achieving Sustainability of Resource-Based Communities". The participants were elected officials and staff from 36 communities around the province. The purpose of the symposium was to identify the key issues, propose solutions and identify the parties that need to take action.

3. INTRODUCTION

This report is a proposed Action Plan towards restoring and sustaining the viability of resource communities. It has been prepared by the Communities and Resources Committee based on the symposium proceedings.

It identifies each resource sector under key themes and then proposes specific actions for consideration and by whom. Some of the proposed actions offer options and specific solutions that vary considerably. These will require more detailed examination before they are acted upon and the Committee will therefore work to ensure that resource communities are consulted by the relevant senior governments and private sectors. While some actions will take time, the Committee identified a number of issues that required immediate attention and have seized the opportunity to begin to make some progress. These immediate actions have been identified under section 5. of the paper.

The report gives particular attention to the forestry sector, given the predominance of forest-dependent communities in BC and the severity of conditions that many of these communities are facing. However, the underlying issues of economic vulnerability and problematic public policies and practices can be applied to all as is evidenced in the following six key common areas of concern iterated by symposium attendees:

- **Industry Restructuring:** technological change, corporate consolidation and lay-offs.
- **Regulations:** the large number of regulations, the complexity of the review and approval process and the time involved add to industry's costs.
- **Aboriginal Relations/Treaty Process:** the differing views about land claims, native self-government and the treaty process are creating uncertainty for resource industries and communities.
- **Energy Costs:** the cost of purchasing hydro power, particularly for the mining industry is an additional economic burden.
- **Global Markets:** the challenge of staying competitive and flexible to respond to rapidly changing global market conditions.
- **Security:** resource industries need a sense of security that enables them to plan for the future but this is complicated by many of the issues identified here.

These areas of concern continue to surface throughout the following key themes.

4. WORKING TOWARDS SOLUTIONS FOR RESOURCE-BASED COMMUNITIES

The following six broad headings were identified as potential actions that need to be taken in the relevant resource sectors to affect change for resource communities.

- A. RESTORE COMPETITIVENESS AND INCREASE GLOBAL AWARENESS
- B. PROMOTE DIVERSIFICATION IN THE RESOURCE INDUSTRIES AND IN THE COMMUNITIES
- C. ESTABLISHING NEW RELATIONSHIPS
- D. STRENGTHENING THE COMMUNITY VOICE
- E. ECONOMIC RECOGNITION FOR THE WEALTH GENERATED BY RESOURCE COMMUNITIES
- F. GETTING THE WORD OUT

Each of the action areas have been dealt with separately in chart form and specific actions, by whom are detailed in each of the sectors.

A. RESTORE COMPETITIVENESS AND INCREASE GLOBAL AWARENESS**ACTIONS TO RESTORE COMPETITIVENESS AND INCREASE GLOBAL AWARENESS IN FORESTRY**

SPECIFIC ACTIONS NEEDED:	RESPONSIBILITY:
1. Pursue timber reform and consider privatization of forests to provide long-term stability for the provincial economy.	Ministry of Forests/Industry
2. Reform the stumpage formula to be more responsive to market conditions	Ministry of Forests/Industry
3. Open the energy market to competition, including the independent power producers	Ministry of Energy and Mines
4. Undertake regulatory reform - to simplify the process and the time involved in getting approvals.	Ministry of Forests
5. More interministerial coordination (especially with the Ministry of the Environment, Lands and Parks) and development of a “one-window” application and approval process.	various ministries
6. The Forest Practices Code should be more goal and product oriented, and less process oriented.	Ministry of Forests
7. More value-added activity and remanufacturing in communities adjacent to the timber supply.	Ministry of Forests/Industry
8. Licenses should place the highest value on the number of jobs, not revenue.	Ministry of Forests/Industry
9. Need to be competitive in taxes and flexible in regulations.	Ministry of Forests/Industry
10. Security of supply is required for planning by industry and communities.	Ministry of Forests/Industry
11. Regarding environmental campaigns: be proactive, take the lead. Develop an international standard for environmentally-sound timber products and use a “timber stamp” reflecting this standard when marketing.	Ministry of Forests/Industry
12. Support community managed forests.	Ministry of Forests and local governments

ACTIONS TO RESTORE COMPETITIVENESS AND INCREASE GLOBAL AWARENESS IN FISHING**SPECIFIC ACTIONS NEEDED:****RESPONSIBILITY:**

16. Expand aquaculture industry, both fin and shell-fish.	Ministry of Fisheries
17. Lift the moratorium on aquaculture (fin and shell fish). Companies want to expand and/or relocate in communities currently experiencing downturn in forestry and commercial and sport fisheries.	Ministry of Fisheries
18. Practice selective reduction of the fleet to favour the smaller boats.	Department of Fisheries
19. Review the status of the Aboriginal commercial fisheries to determine if its continuation is required in light of the BC Treaty process.	Department of Fisheries

B. PROMOTE DIVERSIFICATION IN THE RESOURCE INDUSTRIES AND IN THE COMMUNITIES

ACTIONS TO PROMOTE DIVERSIFICATION IN FORESTRY

SPECIFIC ACTIONS NEEDED:	RESPONSIBILITY:
1. Work for greater diversification of the BC forestry markets beyond the United States.	Industry, Ministry of Forests
2. Promote and support more value added forest products and local processing.	Industry, Ministry of Forests
3. Expand technological utilization in the forest industry to support value-added businesses.	Industry, Ministry of Forests
4. Logs should remain in the Forest District in which they are harvested, or traded for equal value.	Ministry of Forests

ACTIONS TO PROMOTE DIVERSIFICATION IN FISHING

SPECIFIC ACTIONS NEEDED:	RESPONSIBILITY:
5. Lift the aquaculture moratorium so the industry can expand.	Ministry of Fisheries

ACTIONS TO PROMOTE DIVERSIFICATION IN ALL RESOURCE SECTORS

SPECIFIC ACTIONS NEEDED:	RESPONSIBILITY:
6. Promote and monitor more diversification of the local community economy.	Local government and UBCM (latter to promote studies showing the inflow and outflow of resources in local communities).

C. ESTABLISHING NEW RELATIONSHIPS**ACTIONS TO PROMOTE THE ESTABLISHMENT OF NEW RELATIONSHIPS IN ALL RESOURCE SECTORS****SPECIFIC ACTIONS NEEDED:****RESPONSIBILITY:**

1. Aboriginal Community: organize more opportunities for local governments and aboriginal governments to work together and form partnerships around common interests (building on the UBCM "Community to Community" summit in 1997).	Local and aboriginal governments, UBCM
2. Other possible measures could include: I. UBCM develop a protocol with the First Nations Summit; advertise examples of cooperation/partnerships II. Local governments need to explore the most appropriate First Nations group to deal with locally i.e.; (elected or hereditary). III. Industry-local government partnerships: create opportunities for both groups to work closely together around common interests: a healthy forest economy, local value-added products, local employment etc. To this end establish a Memorandum of Understanding (MOU) with the Council of Forest Industries.	Local governments and First Nations Local governments and First Nations Local governments and industry

D. STRENGTHENING THE COMMUNITY VOICE**ACTIONS TO STRENGTHEN THE COMMUNITY VOICE IN FORESTRY**

SPECIFIC ACTIONS NEEDED:	RESPONSIBILITY:
1. A voice for the community in the management of the forests.*	Local governments, Ministry of Forests and FRBC, industry.
2. A community voice in FRBC to ensure it is locally responsive.	Local governments, Ministry of Forests and FRBC, industry.
3. A community voice in forest industry decisions.	Local governments, Ministry of Forests and FRBC, industry.
4. Communities managing their own forests.	Local governments, Ministry of Forests and FRBC, industry.

* note this is an issue relevant to all resource sectors

E. ECONOMIC RECOGNITION FOR THE WEALTH GENERATED BY RESOURCE COMMUNITIES

ACTIONS TO PROMOTE ECONOMIC RECOGNITION IN FORESTRY

SPECIFIC ACTIONS NEEDED:

RESPONSIBILITY OF:

<p>1. A portion of the stumpage revenue must remain in the harvested area (revenue should start flowing back to the producing communities).</p>	<p>Ministry of Forests, Ministry of Finance, Ministry of Municipal Affairs</p>
<p>2. Communities need more control over local resources.</p>	<p>Ministry of Forests, Ministry of Finance, Ministry of Municipal Affairs</p>

F. GETTING THE WORD OUT**ACTIONS TO 'GET THE WORD OUT' IN FORESTRY**

SPECIFIC ACTIONS NEEDED:	RESPONSIBILITY:
1. Work more effectively to get the message out to the public about the importance of forestry to British Columbia...better coordination among the various associations and networks.	Forest interest groups, networks and associations with support of local governments and UBCM.
2. Make U.S. consumers aware of the impacts of the Canada-United States Softwood Accord on their building costs.	Forest interest groups, networks and associations with support of local governments and UBCM.
3. Need to lobby as effectively as the environmentalists for the sustainability of resource communities.	Forest interest groups, networks and associations with support of local governments and UBCM.

ACTIONS TO 'GET THE WORD OUT' IN ALL RESOURCE SECTORS

SPECIFIC ACTIONS NEEDED:	RESPONSIBILITY:
1. A lobby group is needed to promote small community interests (provincial media are urban based) - if not UBCM then another organization. Funding must be established on a continuing basis.	Forestry interest groups, networks and associations with support of local governments, UBCM.
2. Twinning with local governments outside BC: to promote greater awareness of BC resource communities.	Local governments with provincial government

5. ACTIONS TAKEN TO DATE

Due to the urgent nature of many of the issues raised at the June Symposium, the Committee has already taken a number of actions to further resource community interests. Some of these actions include:

- UBCM endorsed and supported the participation of Mayor Colin Kinsley, Prince George with the Premier's delegation to Washington on the Softwood Lumber Agreement.
- have expressed our continued support for the development of community forests.
- met with Forest Renewal BC CEO Lee Doney and other FRBC representatives to advise of local government concerns and have since recommend the appointment of Councillor Bonny Hawley, member of the Communities and Resources Committee to sit on the Communities Committee of FRBC.
- at the request of Fisheries and Oceans Minister, David Anderson have established a fisheries sub-committee of Communities and Resources Committee to advise on community adjustment issues.
- discussions have been held with Council of Forest Industries CEO, Ron MacDonald on the issue of improving local government/community relations with industry toward the development of a Memorandum of Understanding.
- met with Moura Quayle, Dean of Agricultural Sciences, UBC on the issue of "Provincial Interest" in the Agricultural Land Commission Act.

6. RECOMMENDATION

That the membership endorse the actions taken to date by the Committee to address resource community concerns and approve the remaining proposed actions /directions outlined in the 1998-99 policy paper.