

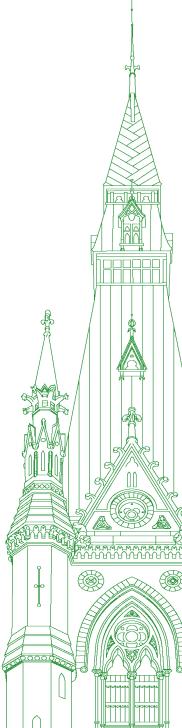
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# Standing Committee on Natural Resources

**EVIDENCE** 

## **NUMBER 008**

Monday, December 7, 2020



Chair: Mr. James Maloney

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**●** (1105)

[English]

The Chair (Mr. James Maloney (Etobicoke—Lakeshore, Lib.)): Welcome everybody. Thank you for taking the time to join us today.

This is meeting number eight of the House of Commons Standing Committee on Natural Resources. We're continuing our study on recovery in the forest sector.

We're very grateful to our three sets of witnesses who are joining us today from all parts of Canada. We have, from the Ministry of Forests, Lands, Natural Resource Operations and Rural Development of British Columbia, Diane Nicholls, assistant deputy minister. From the Government of Alberta, we have Minister Devin Dreeshen. From the Ontario Ministry of Natural Resources and Forestry, we have Minister John Yakabuski, Monique Rolf von den Baumen-Clark and Sean Maguire.

Thank you all very much for joining us today.

You're probably as familiar with committee processes as all of us, so I won't go to great lengths. I will simply say that you can speak either French or English. Translation services are available to you.

Each province will be given up to five minutes for their opening remarks. Following that, we will open the panel for questions to all of you.

My job is to periodically interrupt people and tell them that they may be going on too long or that the questions are too long, so I will apologize in advance for that, but bear with me.

On that note, why don't we start in the west with British Columbia?

The floor is yours.

Ms. Diane Nicholls (Assistant Deputy Minister and Chief Forester, Ministry of Forests, Lands, Natural Resource Operations and Rural Development, Government of British Columbia): Good morning, everyone, and thank you for inviting me to present to you today on the factors that can contribute to the economic recovery of the forest sector in Canada.

I am Diane Nicholls. I'm the assistant deputy minister and chief forester for the Province of British Columbia. I understand you're looking for information on innovative uses of wood and wood products, bioeconomy, concrete measures to support businesses, re-

search and development, and best practices to reduce greenhouse gas emissions.

I'll try to say a bit about each of these, but first I'd like to give you a bit of context about the forests of British Columbia. The total area in B.C. is 95 million hectares, of which 55 million is forested lands. Land available for harvesting is 22 million hectares and annual timber harvested is about 200,000 hectares. Roughly 95% of B.C.'s forests are publicly owned and governed by stringent laws and environmental regulations. We have one of the most robust, comprehensive legal frameworks for forest management globally. We have things like ecosystem-based management, biodiversity preservation measures and protections for species at risk in their habitats.

B.C. has protection of almost 1.8 million hectares, which results in protected lands and waters to over 15%. In B.C. we have over 200 first nations communities, which are unique to themselves and are mostly in rural, forested areas. B.C. is a leader in forest certification, with over 50 million hectares of certified forests or 98% of B.C.'s forested lands. B.C. accounts for nearly 15% of all certified forests in the world.

My world, as the chief forester for British Columbia, is forestry, from seed to product.

B.C.'s forest sector has been hit hard by the mountain pine beetle and the wildfires of 2017 and 2018. Now additional forest pest situations are arising across the province, in part due to climate changes that we see across our ecosystems. When B.C. was in the heat of the mountain pine beetle epidemic, milling capacity was increased to allow salvage operations to occur to reach maximum value from dead trees.

Now in B.C. the majority of salvage is completed, and as a result, the amount of fibre available for conventional milling, dimension and pulp and paper is on the decline. From my perspective, this is not a surprise as allowable annual cuts were increased to allow for salvage and now they are decreasing to maintain sustainable levels of forestry activity. Due to strong competition for economic fibre, meaning wood, we are seeing mill closures across the province and there is indication that more may come.

When we talk of innovation in wood products, two things come to my mind. One is the need for the creation of a circular forest economy sector, adding higher-value products where the whole tree is harvested rather than part of the tree. B.C. has lots of fibre and that can be used in the production of higher-value products such as bioplastics, biomaterials and biochemicals that utilize fibre, such as treetops, branches and harvest residuals that currently are not being utilized.

We have research and technology to produce these high-value products. We understand how they can be used in producing such things as car panels, fabrics and paints. However, we need establishment and commercialization of these products to create the demand, drive and capital interest in our country and the province of British Columbia.

There are additional added-value products, such as mass timber, acoustic boards and concrete biofilaments that, if used in building structures, can add the amount of biomass—wood—used in our buildings. That's beneficial. We need policies to support additional use of wood in all forms in our building structures. Studies have shown that these innovative uses of wood produce a good economic value, a good social value, greener products and higher-paying jobs per cubic metre. We're also just completing the work that shows us the assessment of the greenhouse gas emission values of these new products.

As chief forester of B.C., I am all about using the right fibre in the right product. B.C. needs conventional, dimensional products but we also need to be using the whole tree harvested to the best value for the public. To become centre on the world stage in the bioeconomy, we need to move the dial quickly and light up the runway to showcase bioeconomy opportunities across Canada.

### • (1110)

It would be useful for all governments to be creating hosting conditions that will entice investors into Canada, more so than we are currently, where there are these opportunities.

What can we do to move the dial and move us into the bioeconomy, which in my mind is key to the economic recovery of the forest sector as one of the factors?

Obviously, we should continue working on a softwood lumber agreement, which impacts our foundational forest products sector and manufacturing.

We should ensure building codes allow for wood structures over and above what we currently have today, to include establishing use for bio-based insulation, acoustic boards and plastics, as well as finishing products and mass timber construction.

We should establish demand by the markets for greener-based solutions for their products.

We should focus innovation supports into green bioproducts that support hard hit forest-dependent communities, including first nations communities, by the creation of jobs and innovation of the biomass products.

We should continue supporting research and development so that Canada can become a leader in bioeconomy innovations.

We should develop a cross-Canada approach for commercialization of new product production that will attract entrants and support the creation of the circular forest economy sector.

A two-billion tree program, following the low-carbon economy leadership fund, where B.C. has the forest carbon initiative, is a welcome program for over the next 10 years. A tree is the best carbon sequestration machine out there, but it's not the only one.

Other forest management practices also enable greater sequestration, such as fertilization for faster growth, increased utilization of each tree harvested, and tree improvement activities that allow for development of climate-based seed and tree regulations that establish climatically adapted trees for better growth and health going into the future. No matter what age, trees sequester carbon, just at differing rates.

Biodiversity of species for wildfire mitigation is also a best practice. B.C. is working on ensuring that there is a mosaic of forests across our lands that enables forest resilience to natural disturbances and emulates balance for all ecosystem values.

On the long-lived wood products support, sequestration continues in the life cycle of products and that leads me back to the creation of a circular economy for the forest sector from seed to product, through innovation and commercialization.

Thank you.

The Chair: Thank you very much, Ms. Nicholls.

Minister Dreeshen, you're next.

Hon. Devin Dreeshen (Minister of Agriculture and Forestry, Government of Alberta): Thank you very much for the invitation to speak here today.

Obviously, as everyone here in the room knows, it's been a very difficult year economically, not just for the forestry sector, but for a lot of industries across Canada.

Forestry is our third-largest resource sector in Alberta. It's key to our economic recovery. During the early days of COVID-19, we actually deferred timber dues for six months to ensure that forestry companies were able to operate and retain their staff. We also delivered the forest jobs action plan in the spring to support Alberta's forest sector by increasing the annual allowable cut by 33%. That was to ensure the fibre supply for our industry, ensuring secure jobs and investment at a very uncertain time. We also delivered on five initial key actions to increase up to 13% of that 33% of our annual allowable cut.

This will ensure a more expedient return of wildfire-burned areas to productive forests, which were hit especially in 2019 when almost two million acres burned here in Alberta. We awarded currently unallocated portions and approved annual allowable cuts through an open and competitive process. We explored the enhanced use of harvest waste and residual wood fibre. We increased the use of superior naturally occurring seedlings for the long-term health of our forests. We worked with companies to ensure the best use of allocated timber in their forest management plans.

Alberta is already—we like to think—the most competitive jurisdiction in Canada, but we think that we can do more. We're continuing to pursue new trading partnerships in Asia, as well as exploring the growth potential of value-added wood products to make sure that secondary wood products are something that we can actually develop here in Alberta. In addition to these actions, the new Growing Alberta's Forest Sector Amendment Act 2020, which we just passed in the Alberta legislature, will modernize the existing Forests Act, which hasn't been updated since 1971. That will ultimately meet the current reality of Alberta's forest sector.

The amendments to this act do demonstrate the government's commitment to the forestry industry and support Alberta's position as a top jurisdiction for forestry companies to do business, while still maintaining our sustainable forest management system and the strong regulatory role we have as a province.

The first change in the act enhanced the transparency of timber dues to support the competitiveness of Alberta's forestry sector. This will strengthen the province's softwood lumber case by increasing transparency around how dues are actually calculated.

The second change in the act is encouraging fibre access and the timber quota system. This will support the long-term timber supply and reduce the regulatory burden on our forestry sector by phasing out timber licences, updating the cut-control period from five years to 10 years and adding a preamble to the act that clarifies the actual intent of the legislation.

The third change involves cutting unnecessary red tape for longterm forest tenure and supporting a more streamlined regulatory framework. This includes enabling future development of forest management agreement tenure regulation and increasing the responsiveness of operational forums. Together, these amendments will help bolster the competitiveness of our forest sector here in Alherta

Forestry is one of Alberta's foundational industries. We are well positioned to meet the growing global demand for our forest products. We have an initiative called the champions of forests in Alber-

ta, where we are proud to share our science-based, sustainable management practices in order to improve consumer confidence and foster an environment for increased investment, thereby ensuring the long-term health and resiliency of this renewable industry.

Clearly, the forest industry in Alberta is not without threats. We have everything from the mountain pine beetle to forest fires, but our government does work closely with our forest industry on our 87 million acres of forested land here in Alberta to make sure it is properly managed. The industry, partnered with government, actually planted more than 100 million trees this year. That obviously reduces the risk of fires and also pests that could potentially sterilize our forests.

In 2019, as I mentioned before, two million acres burned here in Alberta. It was one of the worst wildfire seasons that Alberta has had. It released about 130 megatonnes of CO2 equivalence here in the province. We obviously want to make sure we have proper forest management practices that can go out in areas that are susceptible to forest fires to make sure that we can actually go there, harvest and replant a healthy new, fresh and young forest.

Another major concern the industry and we, as a government, have beyond forest fires is the proposed clean fuels standards on Alberta's forestry industry. Provinces and territories have legislative authority for that in forestry, not the federal government. Provinces and territories already have sound systems in place. These should be accepted and not duplicated, which would simply increase the regulatory burden on companies.

• (1115)

Finally, there seems to be no recognition of our current high standards. We have a regulatory system for approval, monitoring and biomass harvesting practices that are all focused on environmental and sustainable practices here in Alberta.

Despite this, and thanks to the aggressive, targeted actions from Alberta's government and cold winters, we have made gains in controlling the spread of the mountain pine beetle. To date, Alberta has spent over \$1 billion, with \$560 million on the fight against the mountain pine beetle to protect about \$11 billion worth of pine forest. We spend about \$30 million a year, every year, fighting these beetles to keep them within our border. We get \$1 million a year from the Province of Saskatchewan to make sure that we contain the pests here and that they don't move eastward.

We do appreciate the federal government and Minister O'Regan for recognizing the threat the mountain pine beetle poses to Canada's forests. They did agree to a three-year, \$60-million commitment to help Alberta in the fight against the mountain pine beetle

That is a very good start. As I said, \$11 billion worth of pine is threatened here in Alberta from the pine beetle, and we are at the forefront of that fight. It will have a devastating impact on the eastern provinces if we don't have it contained here in Alberta.

We are determined to ensure that our forest industry is able to grow and thrive, not just recover, but in the long term be able to prosper.

With that, I'd be happy to take any questions.

I appreciate the invitation.

Thank you.

(1120)

The Chair: Thank you very much, minister.

I appreciate the remarks.

Moving east to Ontario, last but not least is Minister Yakabuski.

You and your team have the floor.

Hon. John Yakabuski (Minister, Ministry of Natural Resources and Forestry, Government of Ontario): Thank you very much, Chair. It's a pleasure and an honour to appear before your committee today.

As with almost every industry in Canada, operations in Ontario's forest sector stalled at the outset of the pandemic, due to widespread uncertainties in the early days.

Our government responded quickly. We were one of the first jurisdictions to include forest product producers on the list of essential workplaces. The essential status was justified and demonstrated by the surging demand for Ontario's forest products being needed from everything from hygiene to packaging for food to medical supplies. And of course, Ontario's forest products fed demand from our other key industries, like construction and the housing sector. Healthy demand levels meant that forest companies were able to overcome the initial lag very quickly, pushing themselves towards full capacity despite the operating challenges presented by the pandemic.

To offset the financial impact of COVID-19, Ontario implemented several measures to help the forest sector get back on its feet.

We expedited the implementation of this year's provincial forest access roads funding program to allow for infrastructure expenses to be reimbursed months sooner than normal. This helped forest companies cope with cash flow concerns.

We announced a six-month deferral of crown stumpage fees for the very same reason.

We made \$3.5 million in funding available to forest companies to help them put protective measures in place for tree-planting workers, to keep workers and communities safe from COVID-19 and to ensure planning of this sustainable, renewable resource could be carried out last spring.

In addition, we are currently working with Natural Resources Canada to finalize and launch the \$5.3 million forest sector safety measures fund, which will assist Ontario's small and medium-sized

forest sector companies with the additional cost of putting COVID-19 protective measures in place.

In May, I convened an advisory committee made up of forest industry leaders to provide insight on how the pandemic was affecting their operations. Through the work of this committee, my government heard several suggestions to help the sector. Their number one suggestion was to finalize and release our forest sector strategy. In August, we launched our strategy after two years of development and consultation.

"Sustainable Growth: Ontario's Forest Sector Strategy" has a sweeping, 10-year horizon that will help the forest sector reach its full potential, especially as we work towards recovery from the pandemic. The strategy is intended to promote economic growth and development, but it's also aimed at protecting our forests to make sure they're there for future generations. This is a whole-of-government plan. Almost half the ministries in our government will undertake actions in support of the strategy.

To achieve its objectives, our forest sector strategy has four pillars: promoting stewardship and sustainability; putting more wood to work; improving our cost competitiveness; and fostering innovation, markets and talent.

We're working to promote innovative uses for Ontario's wood resources so companies can tap into growing international markets for the products we produce today, and those we will produce 10 years from now. A good example of this innovation is the growing field of mass timber construction, where we believe that Ontario can establish itself as a global leader. I applaud Natural Resources Canada for making investments in advancing the use of wood in building and bridge infrastructure. This initiative aligns perfectly with our efforts to promote mass timber construction.

We're also taking action to increase the use of sustainable and renewable biochemicals and biofuels in Ontario. This innovative use of forest products represents a tremendous opportunity to diversify the sector even further. We don't want to miss this opportunity. We look to the federal clean fuel standard to recognize Ontario as a leader in the sustainability of all forest products, including biofuels.

And while on the subject of Ontario's leadership in sustainability, I would like to point out that Ontario, like the federal government and other jurisdictions in our country, is fully committed to sustainably manage its forest and its inhabitants. We might go about it in different ways, but we follow a scientifically based policy framework that is designed to meet the conditions and circumstances of our province. When there are differences in approach, it is important that we have mutual respect and remember that Canada is world renowned for its sustainable practices, and Ontario has contributed to this reputation. If the merits of the province's scientifically based approach are not recognized, we are concerned that the market will be confused about the sustainability of our forests and forest products.

#### • (1125)

On a more positive note, thanks to cutting-edge engineering, modern bioheat systems are as efficient as fossil fuel and electrically based heating systems. This provides another heating option for rural, northern and indigenous communities that currently depend on fossil fuels for heat.

As we look ahead to what's required for recovery, my ministry encourages Natural Resources Canada to renew its commitments to invest in valuable federal programs like Green Construction through Wood. These programs have a proven track record of promoting innovation in the forest sector and helping to expand the market for Ontario's forest products while supporting job creation and economic growth.

Finally, I would like to say a few words about our ongoing trade dispute with the United States over softwood lumber.

Recently, as a result of an administrative review, the duty rates for most of Ontario's mills were significantly reduced, which is positive news, but we still feel the duties are unfair and we appreciate the federal government's ongoing efforts to fight against these unwarranted trade barriers.

I'm grateful for this opportunity to address the standing committee. The forest industry, one of Canada's most renewable and sustainable economic sectors, will be needed now more than ever to support economic recovery from this crisis.

Thank you.

The Chair: Thanks very much, Minister. We appreciate your remarks.

We're going to start with a six-minute round.

I believe we're starting with Mr. Zimmer.

Mr. Bob Zimmer (Prince George—Peace River—Northern Rockies, CPC): Thank you, Mr. Chair.

I would like to ask my question to our B.C. witness, Ms. Nicholls.

Good morning. Thank you for appearing today.

My home province is British Columbia. One thing I have noticed is that, when I go from Fort St. John to Prince George, I see a lot of what used to be red trees. We still see a lot of those like you were talking about, that pine beetle kill. They are not all down, but at least they have been taken down to a certain extent. What I'm seeing now is a whole bunch of yellow trees, or yellow wood, which is the spruce beetle kill. I used to think they were deciduous trees when I was driving by, but they aren't.

I want to know if you have a number for how that has impacted us province-wide. You said we have dealt with the pine beetle. What are we doing about the spruce beetle in B.C., and what can the federal government do to help that?

**Ms. Diane Nicholls:** You are correct. We have an infestation of spruce beetle, as I alluded to in my opening remarks, partly because of the climate changes we're seeing and the changes to our ecosystems. It's similar to what we saw with the mountain pine beetle with regard to epidemic populations increasing.

**Mr. Bob Zimmer:** Right. I have seen this province-wide before. We have had provincial programs where we get the wood down, and get it used. It's not just used for fuel, but it's used for higher-value products.

Are you seeing similar programs for this wood yet?

**•** (1130)

**Ms. Diane Nicholls:** Yes. We have been working with industry extensively over the last six years when the epidemic started with the spruce beetle. The difference between the spruce beetle and mountain pine beetle is that mountain pine beetle typically are in all-pine stands. That's just the nature of the ecosystem, and how the species progresses.

When you're looking at spruce beetle, spruce is in mixed stands so you have green wood with spruce that's infected and dead wood.

We have been impacted substantially with mountain pine beetle, where we have done the salvage logging. Now we have spruce beetle coming in, and we're wanting to conserve as much of that green volume as we can for future opportunities and focus our harvesting efforts on the dead and/or affected spruce kill.

We have been working with industry extensively and BC Timber Sales in British Columbia to focus our efforts in that direction. We know we won't get it all. We also know that we have to be careful for things like biodiversity and other forest ecosystem values that are on the land base. If we did the same practice, and continued doing extensive clear-cuts, and trying to get at everything including the bycatch of green wood, we run the risk of really impacting those other values. It's very much a balanced equation.

Mr. Bob Zimmer: Yes, and you're the expert on forestry, not me, but I guess my concern would be that we have seen ever-increasing.... We just talked about sequesters of carbon and carbon sinks, and probably the best is the tree, but when that in reverse becomes fuel for fire, I get very concerned that all this good work that's being done across the country is one forest fire away from it literally all going up in smoke. My hope was that we'd have better incentives for those trees to come down, maybe better stumpage, but again, that's a provincial issue.

I'll move on. You talked about the higher value use for our lumber, and again, I'm up in northern B.C., so we have a huge timber basket up here that's ready to be used and is being used to some extent, but not fully. What do you think needs to be done from a federal perspective to better utilize that higher value or better market? I remember this big push, former ministers Bell, Christy Clark and others went over to China to develop that foreign market. Do you see that more work needs to be done marketing our particular products, especially in B.C., for that higher value add?

**Ms. Diane Nicholls:** Yes, I think we have a really good partnership with the federal government on building markets. We're really focusing on mass timber, which I think is great for Canada; however, when you think of the majority of the products of mass timber, they're based on two-by-fours, dimensional lumber or a raw material.

When you're looking at the fibre basket in British Columbia, we do have some of that, and that will continue as a foundation in British Columbia, but we also have an untapped area of fibre that is not currently being used and could be used. In my opening comments, my suggestion for the federal government is to work with the provinces on figuring out the right policies, incentives and opportunities that will attract new entrants to create and commercialize some of these new products that we know are out there. We know they work; we know Scandinavia is doing some of this work.

I agree with the comments from Ontario. If we wait too long to show the pathway and light up the runway to this new opportunity and that it's economically viable.... It creates good-paying jobs, more per cubic metre than, say, a bioenergy plant. It creates additional values to fibre that is already being taken down and/or fibre like the spruce kill that isn't useful anymore in some areas, like the mountain pine beetle, for manufacturing of two-by-fours, because it's just not the right material. If we had it and we could produce things like bioplastics, biochemicals or biomaterials and have that demand there for those products, then we would have, hopefully, an investment into Canada, and certainly in B.C.—that's what I'm driving for—so that we can have these products being manufactured in B.C. using the right fibre and creating additional value per tree harvested across the province.

Mr. Bob Zimmer: Thank you.

The Chair: Mr. Weiler, we'll go over to you.

Mr. Patrick Weiler (West Vancouver—Sunshine Coast—Sea to Sky Country, Lib.): Thank you, Mr. Chair.

Thanks to the witnesses for joining our committee today and especially Ms. Nicholls for joining early from the west coast. I'm also a B.C. MP, and I'd like to ask you some questions as well, through you, Mr. Chair.

In many ways, our federal government has learned from the leadership of B.C. in the development of market-based climate policy measures such as the price on pollution and B.C.'s low-carbon fuel standard, LCFS. In 2018, B.C. launched its green plan, CleanBC, of which B.C.'s low-carbon fuel standard is a critical component. I was hoping you could speak to the opportunities the LCFS has created for the forestry sector and the bioeconomy and let us know what lessons we should draw from it as we finalize the clean fuel standards.

• (1135)

**Ms. Diane Nicholls:** On the clean fuel standard as it's progressing with the federal government, we were quite concerned about the initial draft because it would potentially add a greater regulatory burden to our sustainability and our ability to offer forest biomass into the clean fuel standard. We've worked with the federal government quite extensively and made our position quite clear on where the opportunities exist in that regard.

As I said, B.C. has a really strong, globally recognized sustainable forest management framework. We really see with the clean fuel standard the opportunity to use some of that biomass that currently isn't being used, such as, for example, residuals that are left after harvest. So it's not creating new impacts on the land base from what B.C. already does in its harvesting activities, but complementary ones.

One of the things I really want to bring to the forefront is that we've done extensive work on what we call an economic pyramid, a social pyramid, and we're just completing the greenhouse gas emissions pyramid. What we see in those is that, with the amount of biomass required for clean fuels, for renewable natural gas production or for energy production, it's quite expensive because you have to use a lot of biomass to produce the product, whereas when you look at the new, up-and-coming products like biomaterials, bioplastics and biochemicals, you need less biomass for a higher-value product.

The way we're looking at it—and the reason I keep coming back to the circular economy—is that it's not a trade-off of one product versus another. They're all complementary. When I look at the fuels and the energy, i.e., pellets and burning for energy, that should be the last part of the circular economy, the last stitch, because you're burning it and it's a final product. You can't make another product once you've used the fuel or the energy. But if you produce a biomaterial or you produce a two-by-four and that goes to pulp and paper and then it goes to materials production and then the residuals from that finally go forward to whatever can't be used in those others and they go into fuel or energy, that's the complementary cycle that we need to develop in the forest sector for B.C.

Mr. Patrick Weiler: One of the things we've talked about in this committee over the last several meetings is the concern with slash pile burning. That really speaks to the opportunities that might be there in the circular economy, and how it might otherwise go to waste. I know that B.C. and the federal government are partners in the forest carbon initiative through which they invest in projects that sequester forest carbon and reduce emissions. I understand that this program also looks at this particular aspect as well. I was hoping you could speak a little more, especially to the fibre utilization part of this program.

**Ms. Diane Nicholls:** Yes, through the low-carbon economy leadership fund with the federal government and the participatory program that we've created in B.C. from that, the forest carbon initiative, that's exactly what we do. It is very much focused on forest management activities that sequester more carbon.

In my opening remarks, I said that planted trees, growing trees and faster-growing trees are like teenagers. As you're growing fast, you sequester more carbon, and you eat more food, right? As you get older, you slow down a little bit. When you're really young, it's a little bit slow too. Young trees still sequester carbon all the way through the life cycle, but it's not the only way. We've done the analysis and the modelling with the Canadian Forest Service as well around fertilization. It increases growth, and when you do the life-cycle analysis of even the production of the fertilization and the applications technique, we're still gaining in greenhouse gas emissions because of the faster rate at which those growing trees sequester carbon.

On slash pile burning and harvest residuals, in British Columbia, we don't use roughly the top third of the tree. We don't use the branches. That's where we are using the forest carbon initiative to pave the way forward, to show how we can bring those harvest residual biomass fibres into a location so they can be utilized for a product, whether it be a pellet plant or another product plant. We're having quite a bit of success in that and it's really, again, like lighting up the runway. Everybody said you can't do it. Through that initiative, which has been very supportive, we're showing that we can do it and there is an opportunity there. But we need to explore more and how to do it better.

#### • (1140)

Mr. Patrick Weiler: Thank you. Ms. Nicholls, you mentioned a number of key measures that we can take to move the dial in increasing the bioeconomy. We've heard from a number of witnesses already in the past few weeks about the suite of NRCan's forestry funding programs such as the forest innovation program, the investments in forest industry transformation and the indigenous forestry initiative, among others. I was hoping you could share with the committee the results that you're seeing in the province with these programs and if you could provide some specific feedback on these programs going forward.

**Ms. Diane Nicholls:** I'm pleased to say we've had good success in British Columbia with these programs.

The one thing I have brought to the attention of my colleagues in the federal government is that, for British Columbia, we have some severely impacted communities, where mills have closed down and now they're brownfields. They're no longer producing anything. Those communities have been very hard hit. They're forest sector-dependent. It would be really nice to use a combination of federal and provincial funding programs that already exist, and put them together in a package that would support the conversion of a brownfield into a greenfield, and into this new innovative product that's supported by the communities and/or involving first nations in that production.

When you think of the IFIT program or the indigenous funding program, we should use funds from both of those programs to focus in on certain communities that are really in dire straits. That would be an opportunity to focus the funds to create something that's long-lasting.

I'm not saying the funds aren't being used for things that are long-lasting now, but they're proponent-driven. They're not necessarily comprehensive proposals all the time, because certain entities are looking out for what they're trying to do. It would be nice to collate some of those into a program, or a project for some of these hard-hit communities, utilizing the infrastructure that's there, but just needs to be converted.

The Chair: Thank you.

Mr. Simard, you are next.

[Translation]

Mr. Mario Simard (Jonquière, BQ): Thank you, Mr. Chair.

I'd also like to thank the witnesses.

I have a brief question for you, Mr. Dreeshen. First of all, I would like to say that I liked that in your remarks you pointed out that the forest industry is primarily a provincial jurisdiction. That's a point of view that we share, and I think everyone shares that view.

The federal government has a role to play, particularly in certain programs. I'm thinking in particular of the investments in forest industry transformation program. In this sense, we in the committee have spoken many times about the rather exceptional potential of bio-industries. In this regard, we have been told that it could replace certain petroleum-based products, particularly to make plastic, but that we lack some expertise. And this expertise is mostly in your region, in Alberta. You have specialists in chemistry.

Do you have a plan to transition from petrochemicals to bioproducts?

[English]

**Hon. Devin Dreeshen:** I apologize, but my French is a little rusty. Could you repeat that, please?

[Translation]

**Mr. Mario Simard:** Given that you have the expertise of specialists in chemistry, do you have a plan to transition from petrochemicals to bioproducts, in other words, from wood, from the forest?

[English]

**Hon. Devin Dreeshen:** In Alberta, the forestry sector is our third-largest resource sector. We have about 40,000 people who are employed every year within the sector. We want to ensure we can always promote the industry.

I was still a little hazy on the translation, but I believe the overall question dealt with the importance of forestry to the province.

The translation wasn't actually coming through on my feed, so I was going on my very rusty French. I apologize.

#### • (1145)

[Translation]

**Mr. Mario Simard:** No worries. You're experiencing what a francophone does constantly.

I have a quick question for Ms. Nicholls.

We have spoken to several stakeholders in the field. You have indicated a willingness to move towards more value-added products. We were told that what is marketed in British Columbia is mostly commodity products. To that end, there's a program that supports market development, and British Columbia is going to get the lion's share, with close to 80% of the envelope. We know that this program doesn't emphasize value-added.

Would you agree that we should redesign the program to include incentives to make value-added products?

[English]

**Ms. Diane Nicholls:** Yes, I would suggest a different approach in the sense that B.C. very much benefits from the program that you infer. It is around commodity, dimensional kinds of products, and certainly mass timber, which is very important to the province of British Columbia and others across Canada. We need that support ongoing.

I would also suggest that to move the dial across Canada, and certainly in British Columbia, into some of these new products, we need to really create the demand and the awareness that those products are there, that they are greener products and that they are better for greenhouse gas emissions than petroleum products.

I know that's difficult sometimes because you're trading one industry with another, but I think it's really about the health of the planet and the opportunities that exist.

Yes, it would be lovely to have a program that creates those markets and brings the demand for these new products just as much as we need the continued support for the conventional products we produce.

[Translation]

**Mr. Mario Simard:** Further to what you just said, would you also agree that if we had carbon footprint standards in government procurement contracts, as is the case in several European countries, then perhaps we would have had an easier time selling wood products?

Would you support the idea of including a carbon footprint criterion in federal government procurement contracts?

[English]

**Ms. Diane Nicholls:** On the carbon footprint, in British Columbia we have carbon targets, just like the federal government does, in our CleanBC plan. Certainly long-lived wood products fit into that. As well, certainly planting of trees and doing forest management the right way feed into that, wildfire mitigation being key to that and the utilization of the fibre rather than burning it in slash pile burnings.

If I'm understanding your question correctly, with regard to a requirement of a sequestration amount attached to products as a way of benefiting or promoting more of a demand, I think that is one approach.

I also think there are opportunities for possible incentives from government. When you look at the building codes and how we got wood construction happening, you see there was an incentive around changing the building codes nationally. Then the provinces followed, and that allowed for an emergence of wood-building construction, architecture training, engineering training, fire safety training, etc., to make that happen. Now we're going upwards in those building codes, and that's progressive.

I think if we had incentives in play not just regarding the utilization of mass timber and changing building codes and pushing that advancement, but also regarding bringing in the elements of maybe a percentage of wood biomass used in building so that everything from insulation to bioplastics in buildings to biomaterials and/or biochemicals.... We can use wood filaments in concrete rather than glass filaments, as an example. We could create some innovative structures—

**(1150)** 

**The Chair:** Thank you, Ms. Nicholls. I'm going to have to stop you there.

Mr. Cannings, it's over to you.

Mr. Richard Cannings (South Okanagan—West Kootenay, NDP): Thank you.

I'd also like to thank all the witnesses who have come before us today.

I'm also going to identify as a B.C. MP and address my questions to Ms. Nicholls, at least in this round.

You talked several times about this concept of the right fibre for the right product, and mentioned ways, I think, that the Government of B.C. is trying to incent pathways to open up new uses for parts of the tree that we haven't been using very much, taking slash piles or whatever and using them for better products rather than burning them.

I'm just wondering if there is a B.C. policy or strategy to make sure the really valuable logs go to their highest use. I hear from sawmill operators, especially smaller ones, all the time that they have trouble accessing large, old-growth logs that are being used for pulp and paper, or something like that, or sent to wood pellets....They would like to be making big beams from them, or two-by-tens or two-by-sixes, instead of having them just ground up and used in pulp and paper.

I'm just wondering if there's any strategy in the forest service in B.C. to really not just incent that to happen but to actually push and force that strategy.

**Ms. Diane Nicholls:** Yes, we do have elements in our policy and our regulations that help that. Most of how the wood is used is based on business-to-business operations.

Sawmill operators are making dimensional lumber, two-byfours.... If it's a high-value log for that product, they will be utilizing it for that product.

Some of the smaller operators have difficulty with the pricing that's being asked for certain logs that they would like to get their hands on. Others will pay. It's a competitive market, is what I am saying. We can't always get what we want all the time.

However, there are penalties if a pulp mill is utilizing two-byfour material or material that should be going to others.

B.C. is looking at ways of strengthening that and is working with industry on trying to find the best path forward on strengthening that so that we have a diversity of not just large producers but also small community-based producers. We've made some recent legislation changes and policy changes that we're just implementing now to see what kind of effect they will have. That's going to be very important going forward.

When we talk about slash pile burning alternatives for that fibre and/or those harvest residuals that are left on site, right now those are not being used, other than under the forest carbon initiative, where we've been able to bring the slash out of the woods and find a home for it. There is a real opportunity there to make sure that the fibre gets used.

When I say "right fibre, right place", it gets back to that circular forest sector economy, as in "Let's not just take it and put it into burning for energy, but let's take it and try to make these other higher-value products first, and then use the residuals in burning for energy."

Mr. Richard Cannings: In terms of burning for energy, I have a company that's working in my riding in a brownfield site to build a renewable natural gas product from forest residuals. I realize that we've heard from other witnesses that burning two-by-four material for energy is definitely not the best step forward, but when we're burning those residuals.... I am just wondering if that's a trend you see happening across the province.

As I say, I have this one company that has plans for three of these sites in my riding alone. I'm just wondering if you're promoting that or incentivizing that, and whether you see that as one of the paths forward, taking material that would be burned in slash piles to create renewable natural gas that FortisBC is really looking for sources for.

#### • (1155)

**Ms. Diane Nicholls:** As I said earlier, I think it really is a combination of products that we want to develop.

Certainly, renewable natural gas and/or the pellet industry for energy, shipping overseas and exporting are very helpful globally in the sense of getting us off coal and moving us to a cleaner energy fuel source, so it helps globally.

My concern is that we don't want to be using whole trees that will go into a pellet facility and into energy. We want to focus on

using the whole tree in the right way so that two-thirds of it goes to our commodity-based dimensional products and the top third goes into that energy production, for example.

I think that every product has a place and that every area and region is different and specific. I think we have to pay attention to where the opportunities are the right fit for the right reasons. I think there is an opportunity, and the signals from both Canada and B.C. with regard to renewable natural gas have shown us that this has attracted investment.

My personal opinion is that we need to do something similar for these new products that people are less aware of—these bioplastics, biomaterials and biochemicals that actually have a higher value per cubic metre—and to receive benefits for the province and Canada. However, they're less known, and they're less recognized as being tried-and-true technologies. Globally, there is a big surge now for pellets. There are a number of markets—certainly the Asian markets, particularly Japan, and Scandinavia—that are looking for a pellet supply, and that's forging a big push in British Columbia and a big interest in investment to go into that square.

Over time those—

The Chair: Thank you, Ms. Nicholls. Unfortunately, I have to stop you again.

Mr. Richard Cannings: Thank you.

The Chair: We'll move now into the five-minute round.

I will remind our panel members that the industry exists east of British Columbia too. Keep that in mind in asking your questions.

We'll start with Mr. McLean.

**Mr. Greg McLean (Calgary Centre, CPC):** Thank you, ministers and officials, for coming in today and sharing some of your information with us. It's very interesting.

Minister Dreeshen, you talked about competitiveness in the industry in Alberta and how it is a driving force in the expansion of the industry. Congratulations on the industry's role in the economy growing, at this stage especially.

Can you tell us how the carbon fuel standard might affect that competitive nature vis-à-vis our competitors in the United States?

Hon. Devin Dreeshen: The clean fuel standard is something our industry has had concerns about here in Alberta. Originally, burnt wood not being allowed as feedstock was something that concerned them. There seem to be some positive moves on that, which is good from a smaller-scale level. One of the biggest issues our industry has, and our government has, is the duplication it has for our regulation. To have the clean fuel standards create a new framework for environmental and biodiversity standards...we don't think there is a need to have two sets of regulations that ultimately do the same thing.

I'd be happy to table with this committee our sustainable management framework in Alberta that does everything that we've heard the clean fuel standards would like to do. I just don't see how that's a prudent regulation or decision-making process to have another level of government duplicate a regulatory framework or regulations that the provincial governments have the authority to do, and are already doing.

**(1200)** 

Mr. Greg McLean: Thank you, Minister.

Can I pose the same question to Minister Yakabuski as well, please?

**Hon. John Yakabuski:** I could pretty much give you the same answer as well. We also have our concerns with the clean fuel standard, because this is a provincial responsibility.

The government has worked with Natural Resources Canada, Global Affairs Canada and other provinces to promote the sustainability of our forest management legal and policy frameworks in forest products markets throughout the world. We're concerned that a duplicative system from the federal government would only serve to confuse international investors and raise doubts about whether or not our industries are supported and supportive. We're asking why it's necessary for the Canadian government to add additional requirements in order to ensure sustainability. We have, we're convinced, the most sustainable industries out there. We're very proud of the way we conduct them here in Ontario.

In terms of a clean fuel standard that is the purview of the provinces, we believe the federal government should be supportive of ours and not actually duplicating it by imposing its own.

Mr. Greg McLean: Thank you very much.

Ms. Nicholls, you talked about more jobs...more efficient than biofuels. I wanted to explore the biofuels versus the wood fuels. I presume you mean biofuels from wood versus biofuels from grains in terms of more jobs. Is it more economically viable to get biofuels from wood than it is from feed grains?

Ms. Diane Nicholls: No. We've done some work with both our economists and Canadian Forest Service economists. When you look at the amount of renewable natural gas that's being produced globally, most of the feedstock is corn and whatnot. It's much more efficient, effective and cheaper economically. When you're looking at the best use of fibre and wood biomass, it may not be in the fuel realm. It may be in some of these other realms where the structural components of wood are very helpful, versus the structure that corn...that we can't compete with.

Mr. Greg McLean: I probably only have time for one quick question.

When you talk about forest management, forest management includes residues on the forest floor. Of course, forest management means limiting forest fires, yet the two seem to overlap. The more you get forest management, the more intense your forest fires.

Where's the balance here? When you talk about cleaning the forest floor, which is slowly emitting carbon, taking that forest residue and quickly burning it, so emitting that carbon very quickly, therefore maintaining the viability of the forest that doesn't burn as intensely in an unmanaged forest fire.... Where's the balance here, as far as the carbon that stays in the earth to feed the next growth of carbon-reducing trees and the carbon that is swept up and burned or processed quickly?

**Ms. Diane Nicholls:** That's a really complicated question. It would take longer than two minutes.

The Chair: It's going to have to take about 30 seconds.

**Ms. Diane Nicholls:** It is a balance. What we manage for is a variability of mosaics across the land base so that we have that diverse, opening-closing forest management, fire mitigation and all those practices combined in a balanced effect so you have transition across your landscape.

Mr. Greg McLean: Thank you.

The Chair: Mr. Lefebvre, over to you for five minutes, please

Mr. Paul Lefebvre (Sudbury, Lib.): Thank you, Mr. Chair.

As you said, maybe we'll bring the conversation a bit further east from our friends from the west.

Mr. Yakabuski, it's always a pleasure to see you.

I have a few questions for you. You talked about certain supports at the beginning of the COVID pandemic for the forestry industry. As you also alluded, the forestry industry pretty much came back after shutting down at the beginning. There were still supports that we provided through the provinces. In your remarks, you alluded to having supported the safety of tree planting during the season with around \$3 million. I know that the feds have provided around \$30 million through the different provinces as well.

I just want to make sure. Was that \$3 million that you were able to provide with the help of the feds or was that on a stand-alone basis from the province?

**●** (1205)

Hon. John Yakabuski: Hey Paul, it's good to see you again as

The short answer would be that was money we received from the federal government. As you know, much of the funding dealing with direct supports through the pandemic, simply because the federal government has the fiscal capacity that the provinces don't, has come from the federal government. That \$3.5 million, I think it was, was to ensure that we could continue with the tree-planting program for this season, as well. The issue was ensuring that it would be done safely, given the conditions they're working under because of COVID-19. There were additional supports given to us from the federal government on that.

We got it done.

Mr. Paul Lefebvre: Exactly. I think it was very successful.

Now, I want to talk a bit about the forest sector investment and innovation program, FSIIP, that you have in the province.

What is the budget for that? What is the uptake?

Is that each year? You said that's around \$10 million each year.

Which companies? Can you describe some of the projects that you've been able to help?

**Hon. John Yakabuski:** It is \$10 million a year. It replaces a previous program.

We had our first recipients this year. It actually was an operation in southern Ontario that produces pallets and recycles—more recycling than anything else. It's quite an operation. It should maintain about 66 jobs and provide 20 more jobs for a very sustainable and environmentally conscious business, which is recycling material that would otherwise be thrown onto a scrap heap or a landfill or burned.

Also, the new technology that they'll be using in improvements in that operation will make it even more environmentally sustainable.

That's the kind of thing we want to see. It used to be substantially a loan program. Now there's potential for some of it to be a grant, if they meet all of the benchmarks throughout the term of the contract.

Mr. Paul Lefebvre: All right—

Hon. John Yakabuski: Other than that, it's a fifty-fifty loan.

Mr. Paul Lefebvre: Okay. Perfect. Thank you.

With respect to you what you said and obviously the announcement of your reprioritizing in the industry of your department with respect to the forestry sector and certainly trying to support it, what budget measures have you put in place for that? What is the funding that you've allocated to your new forestry strategy?

Hon. John Yakabuski: On the forest sector strategy, Paul, as a northern MP, you'd know what's going on up there with regard to the industry. It was the number one ask for a priority for the industry for us to move on this new forest sector strategy. We're actually before the Treasury Board in our multi-year plan when it comes to the funding, so I can't talk about that just yet, as you would be fully aware. We believe we have the strategy, and it's less about the amount of budget we're putting into it as opposed to the conditions

we're creating, along with the industry, to make it far more sustainable and far better.

As you know, the pillars are stewardship and sustainability, putting more wood to work, improving cost competitiveness, and fostering innovation, markets and talent.

For those four pillars, it's as much about looking at the forest industry from a different lens and making sure it can reach its potential. When we talk about the amount of production out of the industry, it's only going at a little over 50% of what it was just 20 years ago. We're looking to a four-pillared approach of a new forest sector strategy in improving all of those conditions. As the number one pillar is stewardship and sustainability, we want to make sure that we can continue to have that reputation worldwide as one of the most sustainable and environmentally conscious industries out there.

In Ontario, it has about 147,000 direct and indirect jobs and an \$18-billion economic impact for the province, so it's more than significant here, and I—

**●** (1210)

The Chair: Thank you.

I gave you some extra time there, Minister, only because you've been neglected to this point. I thought you needed to catch up a bit.

Hon. John Yakabuski: Thank you very much, Chair.

The Chair: We'll go to Mr. Simard for two and a half minutes.

[Translation]

Mr. Mario Simard: Thank you, Mr. Chair.

I may not follow your recommendations. It's not that I don't like Ontario, but I think I'm going to go after Ms. Nicholls again. It's not every day you get to talk to a chief forester who probably has a little more knowledge.

You know, Ms. Nicholls, I come from a forested region. I feel like I'm hearing about the potential of cellulose fibres and all the developments that can be made from wood chemistry and biomass. I feel like I've been hearing about this for the last 15 years. Unfortunately, we have the impression that there is a lot of delay in the emergence of the forestry sector.

In that sense, I'd like to hear your thoughts on government measures that could be put forward to support what is being done in research and development, which is still fantastic. Just think about what FP Innovations is doing. Even back home, there are many college centres working specifically on this issue. I see all the potential for innovation that's there, but I can't see how it's taking shape in the markets.

Given your expertise, what do you think could be done to facilitate the emergence of this sector, which would be very beneficial in the fight against climate change?

[English]

Ms. Diane Nicholls: Okay. That's a big question.

You are right. People have been talking about these new products for quite some time, and we're not seeing commercialization to the fundamental level that we're needing.

When you look at Scandinavia, however, they have been successful in producing some of these products, and when you think about what wood chemicals are being used in the cosmetic industry, that's a multi-billion dollar opportunity.

However, most people don't know how to take it to that level, and that's the commercialization. We have good research, we have good technology and we're starting to see some start-ups, but the piece we're missing, certainly in British Columbia, is that next step of taking that research and putting it into a commercial enterprise and showing the pathway forward.

How can we do that? Government has a lot of different programs. A lot of those programs can really help to move the dial in the sense of maybe focusing on commercialization, or giving incentives to commercialization in the sense that if you go into these new venues, there is an opportunity to have government support for a period of time, whether it be a loan or a grant or a combination of loan and grant, with parameters—

The Chair: Ms. Nicholls, don't take this personally, but I have to interrupt you again. I'm sorry, it's just the march of time.

Ms. Diane Nicholls: That's fine.

**The Chair:** We will move on to Mr. Cannings for two and a half minutes.

**Mr. Richard Cannings:** I'll jump right back in and ask Ms. Nicholls another question and I think Monsieur Simard was touching on this in his first intervention.

In British Columbia we have the Wood First Act.

• (1215)

[Translation]

Quebec has their Charte du bois.

[English]

I have a private member's bill that died in the Senate in the last Parliament, but hopefully it's coming back from the Senate this time. It tries to incentivize the use of wood in government infrastructure and in government projects, not by demanding that you use wood, but by asking the government to do a greenhouse gas emission footprint analysis of building products before putting out projects for contract, to look at the footprint and then choose the one that best meets those environmental goals.

Has there been any thought to do that in British Columbia, and if not, how is the Wood First Act accomplishing its objectives? I think it's more of a suggestion rather than a real stick.

**Ms. Diane Nicholls:** At this point the Wood First Act is a suggestion, as you put it. That's a good way to describe it. However, work is being done on it to bring some more strength into that act. We don't know what that looks like yet. We've just got a new government in place, of course, so we're looking for those mandate

pieces in the direction. There is a strong will to look at that act and see potentially what more can be done.

Mr. Richard Cannings: Thank you for that.

Just very quickly on a totally different topic, you also mentioned biodiversity. I've been hearing concerns from my constituents and others about the use of herbicides in forests, especially in the Interior, to promote conifers at the expense of deciduous trees.

I'm wondering whether the government is pushing back on that and trying to maintain that biodiversity for obvious reasons, but also for fire suppression reasons as well.

**Ms. Diane Nicholls:** In British Columbia, we have a biodiversity network system and we also have practice requirements to maintain biodiversity across the land base. It's ingrained into our forest management framework.

With regard to herbicide use, there is concern in northern British Columbia about the use of herbicides for coniferous species. We commissioned a report to see how widespread the use is because it has been decreasing at a substantial rate over the last 10 years. It's only used in very limited circumstances at this point.

With this new government, we are looking at our forest management regime in our mandate. Part of that is looking to update our forest management regime to make sure we have the ability in the legislation to maintain that mosaic of forest that we need and to allow for greater biodiversity.

Herbicides are a very useful tool.

The Chair: I'm going to have to stop you there.

We will go to Ms. Harder for five minutes.

Ms. Rachael Harder (Lethbridge, CPC): Thank you, Chair.

Minister Dreeshen, the federal government has announced the clean fuel standard, CFS. Its intent is to reduce carbon emissions and to clean up the environment. Interestingly enough, the forest industry does that quite naturally just because managed forests we know sequester carbon.

It would appear to me that the clean fuel standard is going to harm the industry. We know that the industry puts a fair bit of money into innovation and scientific advancements. Now, needing to take that money and put it toward the clean fuel standard is a direct cost to them. There is potential, then, that the increased cost to the industry could penalize their ability to advance science and innovation and therefore do more harm to the environment than good.

Can you comment on that further?

Hon. Devin Dreeshen: It's interesting...more added regulations that are put on our industry when we already have, I would say, the best standards in the world. I think you'd be very hard-pressed to find large forest sector industries in other countries around the world that actually have as high standards as we do here in Alberta, and also in Canada.

When we look at global capital, it goes to where it can make the most amount of money. If we keep ratcheting up our regulations to unsustainable levels—our regulations actually being unsustainable—then we're just going to see more mills and more investment in places like Russia, and other places around the world selling lumber at a discounted rate.

When we talk about climate change and global warming, having lower-standard countries produce more and more wood products, with one planet, doesn't make any sense to me. When you look at the clean fuel standards and any more regulation that gets layered onto what the provinces already do with our sustainable management frameworks—which every single forester in Alberta has to do—it doesn't make any sense. That competitiveness just hurts our industry and we're going to see that global capital go into other markets.

#### **(1220)**

Ms. Rachael Harder: When you talk about global capital going into other markets, obviously that's boosting their industry. That's helping their country. That's giving them the competitive edge on the world stage. I'm just wondering if you can expand on that a little bit more in terms of being practical. What does that look like with regard to our own industry, its own sustainability and its own competitiveness?

**Hon. Devin Dreeshen:** Just in an Alberta snapshot, we have about \$200 million in royalties coming from timber dues from foresters directly to the provincial government. Then, with the transfers we have to the federal government, where over \$20 billion more is going into Ottawa than is actually being transferred back to Alberta, that \$200 million in royalties is significant. That comes from not having mill closures and not having too much regulation that squeezes off investment and creates job losses and creates an area in which you can't actually invest and grow businesses.

I will put the \$200 million in royalties in context. This year we were actually projecting as a province, for our entire energy sector—our oil and gas royalties—to clock in about \$1 billion early on this year. When you look at the \$200 million in forestry royalties, it's very significant. That only comes with investment and mills of all types, not just making two-by-fours, but our value-added pulp and paper. We need all of the variety of products we have here in Alberta to be firing on all cylinders to make sure we can have good-paying jobs in rural and remote areas in the province. Also, they're huge contributors to the bottom line of the province.

#### Ms. Rachael Harder: Great. Thank you.

I have a last question. In Alberta, a commitment was made to increase fibre access by 33%. Now, access has been increased by about half that—by about 13% or 15% or somewhere around there. How do we get the rest of that? How do we achieve that goal? What's holding us back?

Hon. Devin Dreeshen: Early on, when we were elected, we had a forest jobs guarantee to try to grow our industry. One of the first things I did as minister was task the department to say that if we were to be true environmentalists and look at how we should actually manage our forests in a proper way, where we are doing sustainable harvest and trying to reduce fire risk as well as pest risks—mountain pine beetle spread and areas that are very susceptible to

massive forest fires—and if we were to go out and just properly manage our forests, what would our annual allowable cut level be? They crunched the numbers and found it to be 33% higher than it currently was. About 13% of that 33%—so about a third—was something that we in Agriculture and Forestry knew we could do within the department. We've already initiated that. The remaining 20% of that 33% does come from federal regulations as well as environmental regulations.

We are looking at how we can increase our annual allowable cut in a sustainable way, as true foresters and environmentalists would, to make sure that we can have healthy, sustainable forests in Alberta for generations to come.

The Chair: Thank you, Minister. Thank you, Ms. Harder.

We go over to Mr. Sidhu for five minutes.

**Mr. Maninder Sidhu (Brampton East, Lib.):** Thank you, Mr. Chair. Thank you to all the witnesses for taking the time to be here with us today.

Minister Yakabuski, you mentioned tree planting. Many of us were dismayed to see, in Ontario's 2019 budget, cuts that hurt the forest sector. I'm speaking about the cuts that resulted in the elimination of the 50 million tree program. We've heard at length in this committee, and I think we all understand, the importance and benefits of planting trees.

Why did your government make the decision to cut this important program?

**Hon. John Yakabuski:** It was a budgetary decision at a time when the budget was extremely tight, but the program was not meeting any of its targets with regard to 50 million trees within a prescribed period of time. It had planted fewer than half of those trees at the time of the 2019 budget.

To put it into perspective, in 2018 we planted over 70 million trees as a province through our sector in one year. We plant an average of between 68 million to 71 million trees a year in the province of Ontario.

This program was not fulfilling its intended targets. Quite frankly, it wasn't doing it in the fiscal framework that we expected. That was a decision we made, and I'm quite comfortable having made it, because these were trees, many of them being planted on private property, and they were begging for people to take trees to try to make the program work, because it just wasn't administered properly. It wasn't meeting those targets. They were quite comfortable with that decision, because in our industry, we plant, as they say, an average of somewhere around 70 million trees a year.

#### • (1225)

Mr. Maninder Sidhu: Thank you for that, Minister.

Definitely tree planting is very important. Our federal government stepped up to provide the funding that the Ontario provincial government cut to Forest Ontario. This is a program that benefits and partners with conservation groups, with landowners, like you just said, and with indigenous communities.

I have heard from many concerned constituents, and they are worried about further cuts by the province of Ontario.

While you're here, are there any further funding cuts planned in the forestry sector?

Hon. John Yakabuski: I don't think that's a question that I'd be answering at this committee, but thanks for asking it.

Mr. Maninder Sidhu: Thank you for that.

Your department runs an interesting program, the forest sector investment and innovation program, the manufacturing and processing of wood products. Can you share more about the uptake and the impact of this interesting program?

Hon. John Yakabuski: Yes, as I did with MP Lefebvre, we had Oxford Pallet, which was a big one. We also have CRIBE, which is another very innovative organization that we've recently worked with on agreement. I'm not a hundred per cent sure if the agreement has been finalized yet, but this is, as I say, a forest innovation and investment program, and it's designed to create employment and also broaden the industry.

In the previous funding program, we did deal with a mass timber production facility that should be opening this spring, which we think will put Ontario on the cutting edge of that very important part of this forestry sector. I think there are tremendous opportunities for mass timber.

I've had the opportunity to be under more than a few bridges. People may not know that they are supported by timbers as opposed to concrete and steel. It's amazing how sturdy and solid these structures are. They've been in existence for some time.

We see great opportunities in tall buildings, mass timber buildings, and also in the construction of bridges and that kind of infrastructure that hasn't been traditional for some time. As for mass timber, we've got the highest quality wood in the world here and, with all respect to Alberta and B.C.... We're among the highest quality, we'll say that.

We're looking forward to opportunities from that. Those are the kinds of things that we're trying to support in those programs.

Mr. Maninder Sidhu: Thank you, Minister.

Mr. Chair, do I have time for one more quick question?

The Chair: You do.

Mr. Maninder Sidhu: Thank you.

Our committee has heard a lot about the bioeconomy and the exciting new products and opportunities it presents. We heard last week from GreenNano Technologies with whom NRCan funded a very similar program to yours that is creating automotive parts from wood fibre. Would this be a program that you would consider expanding in the future so there are more types of these products?

Hon. John Yakabuski: We're already there in our industry. Part of our forest sector strategy, putting more wood to work and investing in innovation, markets and talents speaks to exactly that, the uses of wood that can be broadened in so many different ways that we're not currently using but have opportunities. Wood is used in a lot more things than most people see, understand and recognize, but there are still other opportunities out there.

The United Nations has forecasted that the demand for wood products is going to increase by 30% by 2030. We want to make sure that we're right there here in Ontario and, of course, in Canada to be able to supply that global demand. Some of it, of course, will be in traditional uses of wood, but much of it will be in non-traditional uses or ones where innovation has allowed us to fill that need in a marketplace with wood, whereas previously it was some synthetic. We're looking forward to those opportunities.

(1230)

The Chair: Thank you.

Over to you, Mr. Patzer, for five minutes.

Mr. Jeremy Patzer (Cypress Hills—Grasslands, CPC): Thank you very much, Mr. Chair.

I'm going to begin with Minister Dreeshen.

Your government has been investigating the issue of disinformation campaigns against the Canadian energy sector. Members of the forest industry have told us about a certain stigma against their trade despite the great care and effort that they take. Some, including Derek Nighbor for the Forest Products Association of Canada, have been mentioning a similar type of misinformation being used against forestry.

First, could you quickly share with the committee how serious this problem of disinformation is?

Hon. Devin Dreeshen: Disinformation is alive and well. It's something that we've seen from the Natural Resources Defense Council. They had a campaign that was picked up by our mainstream media earlier this year. I think it was called "The Issue with Tissue: How Americans are Flushing Forests Down the Toilet". Essentially, it attacked, with unfounded attacks, our industry saying that our Canadian forestry industry is not sustainable, they don't have sustainable forestry practices, they don't have any replanting regulations, and it was a laundry list of untrue accusations against an entire industry. It was baffling to me personally, and at the ministry even, how our mainstream media would just take that and run with it and report it as news where it was complete fabrication.

I think it is something that is very real to have sometimes even international bodies come in and to run a campaign for a very intended purpose, which is to discredit and to try to move the needle when it comes to global investments. That's something we take very seriously, not just in forestry, but also in our energy sector. It's why we launched a campaign called the Champions of Agriculture and Forests that's working with industry to actually promote the good work that they do, because I think there are lots of people who don't understand for every one one tree that's harvested in Alberta we plant two. With all the environmentally sensitive areas, we're not going in there. We have 200-year plans that get constantly renewed with our industry, as well as with our officials here in the government.

We do, I think, forestry better than any other country in the world, but yet we still get attacked for it. So it is something that we think is very real. We try our very best as government working with industry to promote against a stigma that's completely unfounded against our industry.

Mr. Jeremy Patzer: We even had one witness say that he is sick and tired of being treated like a Neanderthal when it comes to forestry. He has a very compelling story to tell about the strides that the industry has taken and, like you said, what makes it a world-class leading industry.

These same witnesses are also expressing a need though for federal and provincial governments to do more in responding to misinformation. Have you heard of any effort from the federal government to help stop that disinformation?

**Hon. Devin Dreeshen:** Not specifically. It is something that with our Champions of Agriculture and Forests campaign we initially went out and wanted to talk with industry and to partner with them to discredit a lot of this misinformation. If we could broaden that to make it a more national-level fight, I think would be a worthy endeavour for sure.

Mr. Jeremy Patzer: Thank you very much.

I'm going to switch over to Ms. Nicholls.

I notice that the B.C. government groups together forestry, natural resources and rural development, which actually makes a lot of sense. Along with agriculture these are key industries for rural areas. One thing I've noticed over my time in Parliament so far is the government has really struggled to define and grasp what being rural actually means.

I'm just wondering if you could help the government with that and just let us know what metrics are used to define rural in B.C.

• (1235)

**Ms. Diane Nicholls:** The majority of British Columbia is actually rural B.C. We have population centres like Vancouver, the Lower Mainland, Victoria and parts of the Okanagan, however the rest of it is pretty much rural.

When we look at the dependency on the forest sector, it's really looking at how many different industries are supporting those rural communities, how big the population is and how many of those populations are focused on or are employed by the forest sector or an industry that supports the forest sector. It could be transportation, it could be supplies, it could be goods and services.

That really defines in British Columbia the rural area from a forestry perspective.

Our ministry is combined because a lot of the forest sector-dependent communities are rural communities and certainly indigenous nations and their communities fit into that realm as well. It's an effective way of looking at those communities and focusing in on the programs that we need to support them going forward.

The Chair: Thank you.

Your time is up, so we're moving on to Ms. Jones for five min-

Ms. Yvonne Jones (Labrador, Lib.): Thank you, Mr. Chair.

I want to thank all the panellists today, and I really appreciate the ministers being able to join us and give us those updates.

I'm going to move a little bit more to current situations that we're in with the COVID-19 pandemic and how it's been impacting forest enterprises and workers in each of your provinces, just to get a bit of an idea of how you're managing your way through that, how the impact has been especially on indigenous people and minorities who work in the forestry sector. I know that oftentimes they are affected in a much more difficult way. I'd like to get an update from each of the provinces on how the impacts are being dealt with there. Also, maybe you could talk about how the federal emergency programs have been able to help support people in your jurisdiction who are directly employed in the forest industry.

We can start in Ontario, if you want, and then go to Alberta and British Columbia.

Hon. John Yakabuski: In our opening remarks, you would remember that we did talk about some of the early supports for the industry, and clearly they directly affect the people working in that industry. While the supports may have gone to the operators and the companies that operate the businesses, the impacts that they would have had would have certainly been directly on the workers, for example, the special care we took in ensuring that there was proper PPE available for those who were in the tree planting end of that spectrum.

Also, not directly part of the sector, but important to the sector, we took special care this year to ensure that our forest fire rangers were protected, because a big part of the forestry industry is our ability to ensure that we're doing what we can to put out fires as quickly as possible if they're ones that the directive is for. We had a very robust attack plan this year for forest fire fighting, and it was quite successful.

There is another program coming through the federal government that will be funded through us. We'll be doing the funding, but it will be funds that will be coming from the federal government for small and medium-sized operators in the forestry sector, specific to the needs of those smaller operations. That will be something we'll be looking at as we get into the recovery stage, because while there are probably some difficult days ahead in this pandemic, we are now looking, talking and planning for recovery. We have to ensure that we're able to capitalize on that when that time comes.

#### • (1240)

Hon. Devin Dreeshen: When it comes to COVID and our forestry sector in Alberta, production was slowed when COVID first hit, early in the new year, but once safety standards and new protocols and PPE were in place and physical distancing was done in mills, production ramped right up to full capacity. There were COVID cases, but there were no shutdowns of mills due to COVID. That was a positive thing that the industry obviously considered to be very important. If you're in your mill, safety standards are the most important thing so that you can keep all your workers safe and so that they can then go home at the end of the day.

When it comes to indigenous employment, about 8% of employees within Alberta are indigenous.

Within the Government of Alberta, in our tree-planting program as well as our wildfire efforts we had zero cases. When you look at the camps that we had set up, we had over 800 firefighters lined up this year. We actually hired an additional 200 going into the season knowing that we wouldn't be able to rely on our international wildfire fighters as we normally would. That 800-member standing army, if you want to say it that way, was the largest we've ever had at the beginning of any fire season in Alberta. Obviously we did that in response to not being able to be as flexible with COVID, but when you look at the 2019 wildfire numbers in the province, two million acres burned out of our 87 million acres in the province, and that's about 133 megatonnes. In 2013, the entire province of Alberta, including all of our industries, including oil and gas, emitted about 267 megatonnes. So about half of what Alberta typically emits in a year actually came from that terrible wildfire season that we had in 2019. That's why properly managing forests and reducing the risk of wildfires is so important.

I'd like to throw a shout-out to our wildfire fighters this year because in 2020, although it was a wetter, cooler year than 2019, with all the extra wildfire fighters and the work that they did, they put out over 99% of the fires by 10 a.m. the next day, and only 8,000 acres burned within Alberta.

The Chair: Thank you.

I'm going to have to move on to Mr. Simard. You have two and a half minutes, sir.

[Translation]

Mr. Mario Simard: Thank you, Mr. Chair.

Unfortunately, Ms. Nicholls, you didn't have time to finish your answer earlier. I was asking you what makes it difficult to commercialize bioproducts. You gave us the example of some Scandinavian countries that have done it.

I'd like to hear the rest of your answer on that.

[English]

Ms. Diane Nicholls: Some Scandinavian companies are further ahead of us with regard to looking at the new bioeconomy products, and I think we can learn from them as to how they did the commercialization. Some of it was driven by government policy. Some of it was driven by programmatic supports on an ongoing basis to establish commercialization and then lessen it as they became successful. Certainly it's working with the demand side—making sure that the demand is strong and that the public is looking for those green-based products, making sure that they're aware that they are a possibility and therefore going out and looking for those alternative products so that we could then have an investment world for commercialization.

[Translation]

Mr. Mario Simard: Thank you.

My colleague Mr. Cannings was talking earlier about the attempts that have been made to have an act to encourage the use of wood. We have a wood charter in Quebec. We know that, over the years, it has been rather difficult to get such legislation passed.

Perhaps I expressed myself poorly earlier. After speaking to several stakeholders in the community, it was suggested that perhaps the best solution was to include a carbon footprint in government procurement contracts.

Chantiers Chibougamau, a Quebec company that makes glulam beams, appeared before the committee. The company's biggest customers aren't Canadian, but American and French. France, in particular, already has this kind of legislation that encourages the use of materials with a low carbon footprint.

Do you support that?

• (1245)

[English]

The Chair: You have time for a yes-or-no answer.

**Ms. Diane Nicholls:** Potentially. **The Chair:** That's a good one.

All right, we're going to have to leave it there.

Mr. Cannings, we'll move over to you.

Mr. Richard Cannings: I'll go back to Ms. Nicholls again, as usual.

Several people have mentioned the increasing catastrophic fires we've been having. We had a report in 2004 in British Columbia, the Filmon report on wildfires, and how we should be addressing FireSmarting around communities.

We also have issues around access to fibre in British Columbia.

I have two questions. One, how is British Columbia progressing on meeting the asks of the Filmon report in terms of FireSmarting communities? Two, could you let us know what the forest service is doing about adapting harvest plans so we have a more resilient forest that is less likely to be hit by catastrophic fires?

**Ms. Diane Nicholls:** British Columbia has made substantial progress in the WildSmart program, in combination with the federal and provincial governments in our communities. Multiple supporters or providers of that service do wildfire mitigation, forest management techniques surrounding the communities and make sure that we have that very ability happening close to communities. Obviously more work can always be done.

The wildfire seasons of 2017 and 2018 were a combination of climatic effects—the lightning storms—but also the fuels that were on the land base, which was part of the refuse of the mountain pine beetle epidemic and the dead wood on the land base. Part of cleaning that up is time and natural regeneration.

We're also doing forest management where we underplant those areas to make sure we have some green capacity, which always slows down the fires. We saw that with the wildfires of 2018 and 2017 where the plantations stopped the fires and they moved around them.

We've been using a number of different techniques in British Columbia and progressing and ongoing with regard to wildfire smarting our communities.

The Chair: Perfect, you're right on time. Thanks, Mr. Cannings.

We will go over to Mr. McLean.

You have five minutes, sir.

Mr. Greg McLean: Could I defer my time to Mr. Zimmer, please?

The Chair: Yes, of course, it's up to you.

Mr. Bob Zimmer: Yes, I can go, that's for sure.

Mr. Dreeshen, I'm going along the same lines as the first questions I had for the B.C. witness.

What kinds of numbers are you seeing for the spruce beetle infestation on the Alberta side of our province? You're our neighbour, as you know.

**Hon. Devin Dreeshen:** It is cyclical. Right now the spruce beetle numbers in Alberta are very low, so that's been positive. We are focusing primarily on mountain pine beetle.

I want to jump in on MP Cannings' question on FireSmarting for a while.

We have 13 communities that have nine projects, worth over \$20 million, essentially building a fireguard around them. If you can completely eliminate or reduce the fire risk of what is up around a community...we saw that early on in 2020. In one of the worst fires we had in 2019 we had to do a controlled burn right beside the town of High Level, which obviously had high risks associated with it, but because the trees were right up and there was a fuel source right up against the community we had to do a very expensive controlled burn. That's where we came up with this idea of having fireguards around sensitive communities.

So far those nine projects should be done by next fire season in 2021.

I'm sorry to have gone a little off script on that, but I wanted to comment on it.

(1250)

Mr. Bob Zimmer: That's no problem. Thank you, Mr. Dreeshen.

I have one more question. I'd like to finish off with Ms. Nicholls, where I wanted to finish off last time but ran out of time.

You talked about our need to highlight the bioeconomy. I think some of us understand the bioeconomy—or at least what I see. We use this wood waste from mills. We see as an example in Prince George where wood waste is used to heat basically all the municipal buildings downtown. That is the most obvious example of that bioeconomy.

There has to be a larger understanding of this, and maybe I'm grabbing onto it. I see a lot more potential there. My son works in the forest sector and he's been part of dealing with burn piles before and all that wood that just seems to be, again, going up in smoke when it could be used in other ways. The cost-effectiveness is the biggest challenge, isn't it? Some of these areas are remote, and how do we get that in a cost-effective way to utilize this?

Maybe just expand on what bioeconomy means for the room here. Most of us might not have a full understanding of that term.

Ms. Diane Nicholls: Bioeconomy means a lot of things to a lot of different people, you're quite right. Engineered-wood product also means a lot of different things to a lot of different people. The context in British Columbia, in terms of how we use the bioeconomy, is that it's looking at these: What can we use wood fibre for? What kind of economies or manufacturing products will that support? It can be, as I said, chemicals made from wood fibre that support a cosmetic industry. It can be paint emulsifiers, as an example. It can be fibres that are extracted for materials. You've all heard about bamboo clothing. Lululemon is looking for biomass-based rather than petroleum-based to produce sustainable clothing. It can be things like mass timber, where you're taking two-by-fours and pulling them together for mass timber production and utilizing that in construction.

It has a far range. When you look at forestry and the forest sector, we have to really be thinking of it from seed to product, all the way through. Part of that is the cost-effectiveness of using that fibre. How we process that fibre? How do we harvest it? How do we move it? Where do we take it to? Currently in B.C. we don't have anybody making biomaterials, bioplastics or biochemicals, so we don't have a place to take it to. We do have pellet producers, so that's one avenue for us, but I would like to see the creation of that in B.C.

**Mr. Bob Zimmer:** This becomes the cat chasing its tail, right? We need the economy to sell it to before we can really get an industry off the ground. I see that there are some other innovators, too. We had Brian Fehr on the committee a couple of weeks ago. He is doing a pellet plant up in Fort Nelson, with potential expansion plans into the future.

The old analogy is that it's easier to turn a ship when it's moving. The new ships, I suppose, are a little different, but the same analogy applies. I guess the next question, then, is how do we—

The Chair: You're out of time, Mr. Zimmer. I apologize.

Mr. Bob Zimmer: Okay. Thank you.

The Chair: Last but not least is Mr. May for five minutes.

Mr. Bryan May (Cambridge, Lib.): Thank you, Mr. Chair. It's always a pleasure to bat cleanup on this committee.

Minister Yakabuski, in 2018 the Ontario government announced it would be entering into agreements with first nations on resource-and revenue-sharing in the forestry sector. Could you update this committee on how many of these agreements are in place? What are the plans to pursue additional agreements and partnerships with first nations?

**Hon. John Yakabuski:** We continue to have these discussions. I don't think it would be appropriate for me to go beyond that. We are continuing to make payments to first nations—

• (1255)

Mr. Bryan May: There are some agreements? Okay.

**Hon. John Yakabuski:** There are some agreements in place. I think we'll leave that discussion for the ones that are going on between me, Minister Rickford and first nations, at this point. We're not ready to go public with the discussions yet.

**Mr. Bryan May:** That's fair. I just wanted it to be known that this is something that in Ontario has been in place for a couple of years now. They're pursuing that.

Hon. John Yakabuski: Yes, 100%—

Mr. Bryan May: It's good to hear that this is still the case.

**Hon. John Yakabuski:** As you know, at the federal level these things sometimes take longer. On the surface it sounds like it's not complicated, but the reality is that these discussions can be complicated.

Mr. Bryan May: Sure.

I quickly want to switch gears a little bit to the sustainability of the forests in Ontario. Rob Keen, CEO of Forests Ontario, said that in order to be sustainable, forests need to be at least 40% cover. But the average cover in Ontario is 26%, and in some places as low as 5%. Can you speak to whether there is an Ontario government plan to get to that 40% and have sustainable forestry in Ontario?

Hon. John Yakabuski: I haven't looked at everything that Rob has said. He has his own agenda, as you know, like everybody. The reality is that we continue to—

Mr. Bryan May: All of our agendas should be-

Hon. John Yakabuski: Excuse me.

Mr. Brvan May: —for sustainable forests.

Hon. John Yakabuski: Excuse me.

Well, maybe you could let me finish that.

Mr. Bryan May: Certainly.

Hon. John Yakabuski: Everyone has an agenda. That's a reality. The fact is that we continue to replace more forests every year in Ontario than we harvest. Our regeneration exceeds the amount that we harvest every year in Ontario. That is part of our strategy. That is part of our commitment, planting approximately.... The numbers vary between 68 million and below 78 million—70 million—trees a year. That's part of our commitment. That's part of the harvesting. Of course, then we do about 350 million seed drops a year, as well. We're regenerating more forest in Ontario each and every year than we're harvesting.

I'm not sure where you're going with this, but we continue to.... With this plan and our forest sector strategy, 10 years from now, 20 years from now, 30 years from now, there will be more forested land in Ontario than there is today. That is because of our forest sector strategy and our commitment to sustainability.

We are the gold standard, we believe, worldwide, and I'm quite comfortable that, as we go forward, we'll be able to maintain that reputation—

Mr. Bryan May: Thank you.

**Hon. John Yakabuski:** —not only for the quality of our wood but for our commitment to sustainability.

Mr. Bryan May: Thank you, sir, and I hope that's true.

I'll go back to my colleague's questions in terms of the cutting of the 50 million trees. I think there is a lot of concern that there are more cuts coming in this area and in the area of the environment, and you have a Greenbelt Council and David Crombie who agree with that concern.

I really do hope that this ministry is not a source for Doug Ford to balance a budget, but a ministry to really focus in on sustainability in the future, sir.

Thank you, Mr. Chair. I think that's my time.

The Chair: It is.

Let me say to all three of our witnesses—well, there are more than three of you, but you're from three different provinces—how grateful we are for your taking the time to be here.

As you can tell, there's a lot of passion for this sector from all parties on this committee. That's why it is so important that you are able to be here to share with us your experiences and what's going on in each of your respective provinces. For that, we say thank you.

Mr. Greg McLean: I have a point of order.

The Chair: You also see that we never have enough time to—

Go ahead, Mr. McLean.

**Mr. Greg McLean:** One thing that Ms. Nicholls put on the table when she answered one of my questions was a description of the mosaic that they look at. I'm wondering if she would be so kind as to forward a copy of that mosaic type of design to the committee for our reference.

The Chair: Sure.

Mr. Greg McLean: Thank you.

• (1300)

The Chair: As I was saying, I thank you, all, for being here. We appreciate it. I'm going to have to let you go.

If the members could just stay on for a couple more minutes, we have some quick business to deal with. It should literally take one minute.

Thank you, all.

Hon. Devin Dreeshen: Thank you. The Chair: Okay, I think it's just us.

There are two quick things. On Friday, the minister is coming. That will be our last meeting before the break.

There is one other thing I want to deal with quickly. You should have all received an email from our clerk earlier today with our

budget proposal for this study. It's for \$4,600, and it consists of money for long-distance calls and headsets and working meals, although I'm not sure who is eating there.

We're going to fall short of the budget ask.

Those of you who have been here for much longer know the budget for studies is usually significantly higher than this, but because we're doing everything remotely it's a relatively small number.

I'm asking everybody to consider supporting this budget so we can approve it, which would be of great assistance to our clerk and analysts moving forward.

Please give me a show of hands if everybody is in favour of approving the budget.

(Motion agreed to)

Thank you.

That's fantastic.

We will see you at the end of the week.

The meeting is adjourned.

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