

WAABIGONIIW SAAGA'IGANIIW ANISHINAABEG
Wabigoon Lake Ojibway Nation
RR #1, Site 115, Box #300 – Dryden, Ontario P8N 2Y4

26 May 2005

The Honourable David J. Ramsay
Minister of Natural Resources
Government of Ontario
Whitney Block
6th Floor, Room 6630
99 Wellesley Street West
Toronto, Ontario
M7A 1W3

Dear Minister:

Re: Minister's Council on Forest Sector Competitiveness – Final Report

I am writing in my capacity as a First Nations representative on the Minister's Council on Forest Sector Competitiveness. As you will see in section 2.4 of the Final Report entitled "First Nations Perspective on Capacity-Building", the Council has noted that the recommendations contained therein do not have the support of the full Council. While First Nations are disappointed that a consensus could not be reached at this time, we are grateful that the Chair has ensured that the comments and recommendations of the First Nations have been included in the Final Report for your consideration.

Like other residents people living in Northern Ontario, the First Nations recognize that a key ingredient to the forest industry maximizing economic opportunities and closing the competitiveness gap is to develop a strong and diversified value-added forest products industry. This will not be easy. But, as your Ministry has recognized in its Strategic Directions document entitled "Our Sustainable Future" (February 2005), a forest products strategy must include improving value-added production of forest products in Northern Ontario. In order to achieve this goal, substantial and meaningful adjustments will need to be made. Business as usual will not work. Therefore, we have recommended that the Ministry endorse the following two measures:

- (1) new value-added projects must be given first priority for utilization of wood supply volumes, including MROL (Ministry Recognized Operating Levels) volumes from mill closures and downsizing; and
- (2) wood supply should be reallocated on the basis of best end and highest value use of both timber profiles and volumes.

"Our Sustainable Future" also calls for "increased benefits to aboriginal communities" as part of Ontario's forest sector strategy. As you are aware, this follows on from Condition 77 (now Condition 34) in the Timber Class EA which requires the Ministry to conduct negotiations at the local level with Aboriginal

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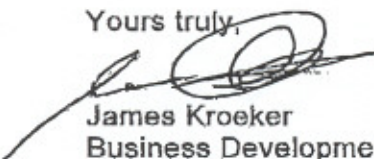
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peoples, in order to identify and implement ways of achieving a more equal participation by Aboriginal peoples in the forest industry in the vicinity of their reserve lands. As we have noted on numerous occasions, including in section 2.4 of the Final Report, First Nations have yet to achieve "more equal participation" and, in fact, have fallen further behind on a proportional basis. It is time to reverse this practice and begin to breathe life into Condition 34. Your Ministry can do this by endorsing the following measure:

"MROL (Ministry Recognized Operating Levels) volumes that are attached to mills that shut down, or are downsized, should be made available (through a Request For Proposal process) to projects that are in the local community affected by the shutdown, with first preference being given to First Nation proposals/projects".

With this kind of support, the First Nations will be able to create and capitalize on emerging opportunities, particularly in relation to value-added projects in the forest sector.

Yours truly,



James Kroeker
Business Development Officer,
Wabigoon Lake Ojibway Nation

c.c. Chief Esther Pitchenese and Council

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