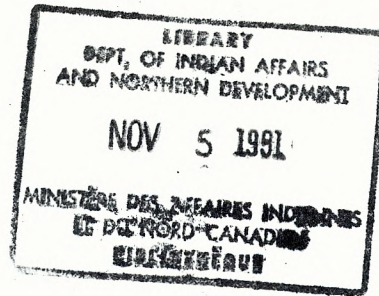


PME EVALUATION OF  
THE LAC SEUL FORESTRY OPERATIONS  
LAC SEUL, ONTARIO  
(INDIAN-ESKIMO AFFAIRS)

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CONFIDENTIAL



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THE LAC SEUL FORESTRY OPERATIONS  
LAC SEUL, ONTARIO  
(INDIAN-ESKIMO AFFAIRS)

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PME No. 3(R)-1972  
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## I. INTRODUCTION

### 1.1 Background

1. One of the objectives of the Forestry Program is to facilitate Indian endeavours to establish, own and operate viable primary extraction enterprises. In order to identify the effectiveness and efficiency of these enterprises, the Director of the Indian-Eskimo Economic Development Branch requested Program Management Evaluation to undertake the evaluation of certain of these forestry operations, including the one located at Lac Seul, Ontario.
2. The Indians located at Lac Seul are of the Lac Seul Band. The Reserve for the Lac Seul Band is located at Lac Seul, Ontario, approximately 30 miles northwest of Sioux Lookout, Ontario (see Appendix "A"). The Lac Seul settlement has a population of 534 people. Although there are no roads servicing the settlement proper, the Lake is serviced by rail and road at the town of Hudson Ontario, a distance of approximately 10-12 miles from the settlement by water. The settlement, therefore, is not considered isolated. There is also a good air service between Lac Seul and Sioux Lookout during most of the summer and winter months.

3. The mill was originally owned by the Department and financed through the Economic Development Budget of the Sioux Lookout District. In January 1972, the sawmill was turned over to the Band as a Band operated venture. An agreement was made between the District and the Band whereby the Department would purchase from the Band whatever amount of useable lumber had been cut to specification, suitable for house construction. The first years operating expenses were provided by the Department.

#### 1.2 Scope

1. The purpose of this evaluation was to analyze and assess the existing logging and milling project at Lac Seul in order to establish its efficiency and effectiveness as a basis for future policy planning and decision making. The emphasis has, therefore, been placed on determining the economic viability of the operation and isolating the significant variables restricting maximum output at minimum cost, rather than attempting to optimize output.
2. The Lac Seul settlement is administered by the Sioux Lookout District and this forestry project was evaluated in conjunction with all other mills located in the Sioux Lookout District. The Team made a detailed visit to Lac Seul on September 15, 1972. Discussions were held with the Chief of the Band who was also engaged in the actual lumbering operations. Information con-

cerning the wood supply was obtained from Ministry of Natural Resources, Sioux Lookout, Ontario District Offices.

3. A standard format prepared by the Laurentian Institute, consisting of a questionnaire and model, has been prepared for the Lac Seul lumbering operation and is attached as Appendix "B" to this report. Some minor modifications have been made to the format due to the lack of certain statistics and the accounting methods carried out at the site of the operations and at the Sioux Lookout District Offices.

#### 1.3 Acknowledgement

1. The PME Team wishes to acknowledge the assistance provided to it by the Toronto Regional Office, the Sioux Lookout District, the Thunder Bay Regional Offices of the Ontario Ministry of Natural Resources, and the Sioux Lookout District Office of the Ontario Ministry of Natural Resources.

## II. DISCUSSION

### 2.1 Wood Supply

1. An estimate of the total forested area of the Lac Seul settlement within a 10 mile radius of the mill was obtained from the Ontario Ministry of Natural Resources, Sioux Lookout District,





based on an average square mile of area for that particular type of terrain. An average square mile of area consists of 60% productive forest, 10% non-productive land, and 30% water. Of the 60% productive forest, white and black spruce comprise 60% of the forested land, varying from young trees through immature to mature trees. Fifteen per cent of the forest consists of Jack Pine and another 15-20% is covered with white and black poplar. The remainder consists of small stands of birch and fir. Of all of the above species, 98% of the trees cut by the Indians is mature spruce; the other 2% is mature Jack Pine. All timber is on Reserve land and, therefore, stumpage fees do not apply to this operation.

2. Logging is conducted during the months of February and March. The mill is located in the bush in the centre of the area being logged, approximately one mile from the settlement and one-half mile from the shore of the Lake. The Band uses horses to haul the logs to the mill. When the logs are cut into lumber the lumber is piled on skids (sleighs) and the horses haul the lumber to the Lake shore where it is piled for seasoning during the summer months. As soon as the surface of the Lake is frozen the seasoned lumber will be hauled over the ice to the settlement in preparation for the next construction season. Lumber used in the construction of houses has been seasoned for approximately 14-16 months. There are sufficient good stands of timber on the Lac Seul Reserve to satisfy the needs of the Band for the next five years.

## 2.2 Organization and Management

1. The sawmill at Lac Seul was turned over to the Band in March 1972, by the Department, with the understanding that if they produced lumber suitable for house construction, the Department would buy the lumber from them. The Department initially financed them in order to carry them through the first year's operation. At the time of this report there was insufficient information available to establish a financial report of the Lac Seul Sawmill operations. The Team was advised by the Sioux Lookout District Offices that all the lumber required for this year's house construction was tendered for through DSS. However, the Department has agreed to purchase sufficient lumber to construct four houses on the Reserve for the 1972-73 construction season. The cost of purchasing and transporting finished lumber to Lac Seul is approximately \$205.00 per M f.b.m.
2. The Band has a loose agreement with a Band member to manage the sawmill operation. This Band member in turn is in partnership with two other Band members. The manager of the sawmill has had considerable experience working in large sawmills throughout Ontario and Manitoba, and is considered to be skilled in the logging and sawmill operations. However, he has little training in the administrative aspects of the operation and as a result assistance may have to be given, by the Sioux Lookout District Offices, to the Band to ensure that proper records are kept of the forestry operation.

### 2.3 Facilities

1. The sawmill is located in the bush one-half mile from the shore of the Lake. The head saw and carriage were not protected from the weather at the time of the PME visit. The Chief of the Band, however, assured the Team that it is his intention to construct a rough but adequate building for this purpose. (see Appendix "C")
2. The items of plant equipment consist of the following:

(a)	Head Saw & Carriage :	Belsaw Machinery Co. (new) Current Value .....	\$ 1,500.00
(b)	Motor:	Wisconsin Model VF4H (new) Current Value .....	\$ 545.00
		Total Current Value .....	<u>\$ 2,045.00</u>
3. The average annual production of the mill has not been determined as this was the first year of operation of the mill.

### 2.4 Markets

1. There are few outside markets for any lumber produced by the mill at the present time. Suitable finished lumber is used in house construction, the remainder is used for the construction of docks, sheds, fences and boardwalks. At the time of evaluation there was an estimated 48 M f.b.m. of unplanned lumber undergoing seasoning. There were approximately 100 logs at the mill site awaiting sawing.

2. Twelve houses are being constructed at Lac Seul for the 1972-73 season, and two houses are budgeted for the Reserve for the 1973-74 FY. The District does not expect this number to increase in future years, although the Chief advised the PME Team that the Band intends to build an additional two houses each year through Band funds. This would indicate a market of 30,000 f.b.m. In addition, there is an estimated 10,000 f.b.m. of rough lumber required each year for other Reserve needs. The total market for lumber in this area is, therefore, assessed at 100,000 f.b.m. for 1972-73 and 40,000 f.b.m. for future years.

## 2.5 Finance

1. For the past five years the logging and sawmill operation was financed primarily through the Economic Development Branch of IA&ND and the lumber produced by the mill was turned over to Indian housing or to meet other reserve needs. This turnover of materials has been done without any official transfer of funds. As a result it has been impossible to budget for the lumbering operation as a separate item and, therefore, the PME Team was unable to assess past operations. This situation has been rectified as of the beginning of the new fiscal year, and finances required for sawmill operations, or the purchase of lumber from the Band mills are now kept under separate file.

2. The following financial information is all that was recorded against the cost of operating the Lac Seul sawmill for the 1971-72 fiscal year:

Wages .....	NIL
Setting up new Sawmill .....	\$ 600.00
Sawbelts and Shanks .....	\$ 72.45
Gas and Oil .....	\$ 158.13
Transportation of Gas and Oil	\$ 47.50
	<hr/>
	\$ 878.08

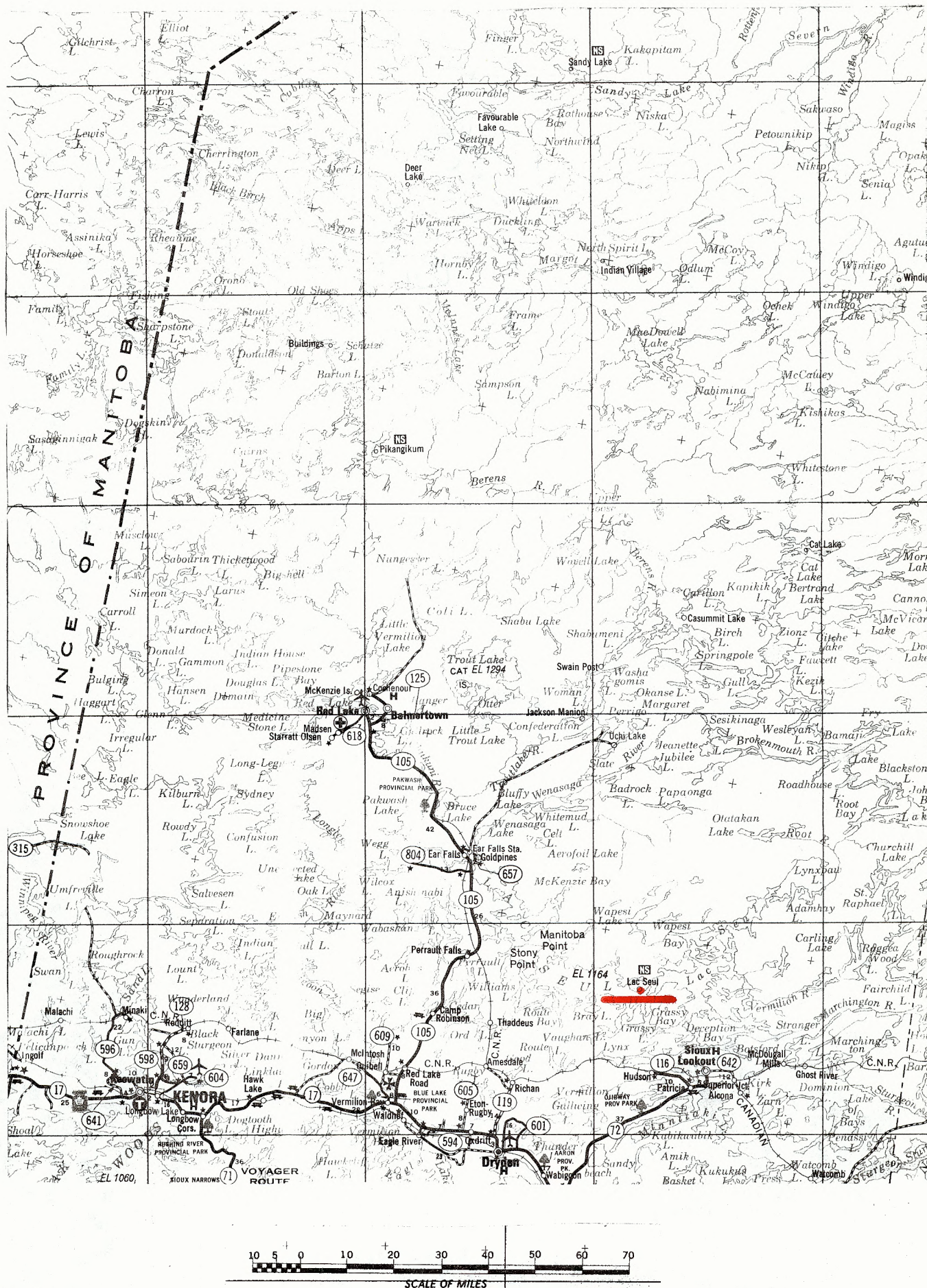
3. The amount of labour nor the amount of lumber cut is not recorded. Therefore, the PME Team was unable to construct a break even chart for the Lac Seul forestry operation. However, the PME Team was favourably impressed with the apparent efficiency and ingenuity of the sawmill operation. If the present rates of \$2.50 per hour for the sawyer and \$2.00 per hour for the labourers are maintained, there would be little to prevent the Band from producing and delivering on site rough lumber at approximately \$70.00 per M f.b.m. If a small planer were purchased with a capacity of 3,000 f.b.m. per day finished lumber could be produced for approximately \$90.00 per M f.b.m. This price would permit the Band to compete with other sawmills in the vicinity of Lac Seul. If 100 per cent profit were realized or a selling price of \$180.00 per M f.b.m. then a break even point of approximately 4,000 f.b.m. would be all that would be required to establish a viable operation.

### III. CONCLUSIONS

1. Forest surveys have not been conducted in the Lac Seul area. However, personal observation by the PME Team indicates that there are sufficient stands of good mature white and black spruce within a ten mile radius of the mill site to fill any known requirement of this settlement for the next five years.
2. The Indians use horses to haul the logs to the mill and to haul the sawn lumber from the mill to the drying site at the edge of the Lake. This method of operation places no constraints on the Band in the procuring of good timber. There is sufficient timber on the Reserve to fulfill the Band's needs for the foreseeable future.
3. There is an adequate supply of labour. It is classed as skilled for logging, and skilled for the sawmill operation. Local management is inexperienced in other than small enterprises.
4. The lumber currently being produced at Lac Seul is good lumber but due to the lack of a planer, the use of the lumber for house construction is limited. Therefore, the Department will have to continue to import lumber from outside sources to make up for whatever cannot be produced at Lac Seul.
5. The equipment is in good condition and is capable of producing good rough lumber.

6. A 1972-73 market of 100,000 f.b.m. exists at Lac Seul plus an annual market of 40,000 f.b.m. for future years.
7. The size of the market does justify the acquisition of a small planer to improve the finished product.
8. With the exception of the planer, the mill should be retained at its present level and continue to cut for Band use.
9. The PME Team was impressed with the forestry operation as being conducted by the Lac Seul Band and suggests that every effort should be made by the District Offices to support this Band operated venture. The present agreement between the Department and the Band, whereby the District will purchase all finished lumber for house construction which meets the specifications of size and seasoning, should continue.
10. The Lac Seul Sawmill operation is considered to be a viable operation.







LAC SEUL, ONTARIO

QUESTIONNAIRE AND MODEL TO ASSESS ECONOMIC VIABILITY  
OF DEPARTMENT OF INDIAN AFFAIRS AND NORTHERN DEVELOPMENT'S  
OWNED AND/OR OPERATED FOREST ENTERPRISES

ECONOMIC VIABILITY OF DEPARTMENT OF INDIAN AFFAIRS  
AND NORTHERN DEVELOPMENT'S OWNED  
AND/OR OPERATED FOREST ENTERPRISES

---

TOTAL RESERVE AREA -- 9,600 ACRES

I. WOOD SUPPLY (POTENTIAL)

1. On-Reserve

(a) Total forested area ..... 3,840 acres

(b) Total accessible forested area ..... 3,840 acres

(c) Forest distribution (acres)

Cover Type	Mature Acres	Immature Acres	Young Acres	Total
Softwood	576	1,152	768 (stunted)	2,496
Mixedwood	192	576		768
Hardwood		576		
Total	768	2,304	768	3,840

(d) Species composition -- percentage estimates from mill run if inventory not available.

Black Spruce .....	}	45 %
White Spruce .....		
Jack Pine .....		30 %
Balsam Fir .....		1 %
White Poplar .....		11 %
Black Poplar .....		3 %
White Birch .....		10 %

- (e) Cords per acre: estimates using forest distribution table in (c).

<i>Cover Type</i>	<i>Mature Acres</i>	<i>Immature Acres</i>	<i>Young Acres</i>	<i>Of Productive Square Mile</i>
<i>Softwood</i>	<i>Not available by acreage distribution. Estimated only by average sq. mile of which only 50% is productive forest.</i>			<i>60 %</i>
<i>Mixedwood</i>				<i>25 %</i>
<i>Hardwood</i>				<i>15 %</i>
<i>Average</i>				<i>100 %</i>

- (f)

	<i>White &amp; Black Spruce</i>	<i>Jack Pine</i>	<i>White Poplar</i>
<i>Age at Maturity</i>	<i>110</i>	<i>70</i>	<i>60</i>
<i>Height at Maturity</i>	<i>70</i>	<i>70</i>	<i>65</i>
<i>Mean Annual Increment, cu.ft./acre</i>	<i>30 cu.ft. per acre (softwoods)</i>		

- (g) Estimate in acres any significant losses due to fire, insects, blowdown, etc. and the year of occurrence.

-- *No records kept.*

- (h) Estimate annual cut in past 5 years.

-- *Return from Reserves too inaccurate for proper analysis*

- (i) Estimate annual cut for next 5 years.

-- As above

2. Off-Reserve (information based on the average square mile)

- |               |    |               |            |              |
|---------------|----|---------------|------------|--------------|
| (a) Ownership | -- | Crown .....   | <u>ALL</u> | square miles |
|               | -- | Private ..... | <u>NIL</u> | square miles |
|               | -- | Water .....   | 30%        |              |

- (b) Is there a possibility of obtaining cutting rights, and if so, what would be the contractual basis?

-- Yes - Ontario Provincial Government, short term timber lease.

- (c) Total forested area.

-- 50% productive, 20% non-productive (muskeg, brush, rock, etc.)

- (d) Total accessible forested area.

-- Only accessible to Reserve by water.

- (e) Forest distribution (acres)

Cover Type	Mature Acres	Immature Acres	Young Acres	Average Sq. Miles
Softwood	<i>Not available by acreage distribution. Estimated by average sq. mile of which 60% is productive.</i>			60%
Mixedwood				25%
Hardwood				15%
<i>Total</i>				100%

(Note: Reserves cut only mature spruce.)

- (f) Species composition -- percentage estimates from mill run if inventory not available.

Black Spruce .....	}	45%
White Spruce .....		
Jack Pine .....		30%
Balsam Fir .....		1%
White Poplar .....		11%
Black Poplar .....		3%
White Birch .....		10%
		<u>100%</u>

- (g) Cords per acre: estimates using forest distribution table in (e).

<i>Cover</i>	<i>Mature</i>	<i>Immature</i>	<i>Young</i>	<i>Average Net Mer-</i>
<i>Type</i>	<i>Acres</i>	<i>Acres</i>	<i>Acres</i>	<i>chantable cords</i>
				<i>per productive</i>
				<i>Acre</i>
<i>Softwood</i>				18
<i>Mixedwood</i>				18
<i>Hardwood</i>				18
<i>Average</i>				18

(h)

	Black & White Spruce	Jack Pine	Poplar
Age at Maturity	110	70	60
Height at Maturity	70	70	65
Mean Annual Increment, cu.ft./acre	30 cu.ft. per acre (softwoods)		

- (i) Estimate in acres any significant losses due to fire, insects, blowdown, etc. and the year of occurrence.

-- No records kept.

- (j) Estimate annual cut in past five years.

-- Returns from Reserve too inaccurate for proper analysis

- (k) Estimate annual cut for next five years.

-- As Above

## II. FOREST MANAGEMENT (ON-RESERVE)

### 1. Inventories & Plans

	<u>Completed</u>		<u>In Process</u>	
	Yes	No	Yes	No
(a) Photo - reconnaissance	Yr. Completed 1948 & 1968		Yr. to be Completed	
(b) Survey - with field work		XX		
(c) Management plans and/or recommendations		XX		
(d) Operating plans		XX		
(e) Sponsoring Agency				
Fed. Govt. _____ Prov. Govt. _____ Band _____ Private _____				

2. Silviculture -- past five years

(a)

Treatments	Acres Treated	Species Involved	Age Trees	Year Treated	Objectives of Treatment	Est. Cost Per Acre
Seeding						
Planting						
Cleaning						
Thinning						
Pruning						
Fertiliza- tion						
Other -- specify						

## (b) Sponsoring Agency

Fed. Govt. \_\_\_\_\_ Prov. Govt. \_\_\_\_\_ Private \_\_\_\_\_ Band \_\_\_\_\_

## (c) Are treatments required on the reserve at the present time?

-- N/A

## (d) If so, what are the priorities?

-- N/A

## (e) If so, what is the purpose of this treatment?

-- N/A

- (f) Are there any treatments schedules for the next five years?  
If so, fill out table as in (a).

-- NO

Treatments	Acres Treated	Species Involved	Age Trees	Year Treated	Objectives of Treatment	Est. Cost Per Acre
Seeding						
Planting						
Cleaning						
Thinning						
Pruning						
Fertiliza- tion						
Other -- specify						

- (g) In your opinion, what sectors of a forest management plan should receive short term priority?

i) Growing Stock: (LAST PRIORITY)

protection ..... \_\_\_\_\_

regulation ..... \_\_\_\_\_

silviculture ..... \_\_\_\_\_

ii) Transportation: (SECOND PRIORITY)

road development ..... \_\_\_\_\_



iii) Markets: (FIRST PRIORITY)

product research ..... \_\_\_\_\_

promotion advertising ..... \_\_\_\_\_

iv) Other:

please elaborate ..... \_\_\_\_\_

### III. WOOD PROCUREMENT

#### 1. Questions

(a) Where is the wood being cut at the present time?

-- On-reserve XX distance from point of sale\*

0- $\frac{1}{2}$  miles.

-- Off-reserve \_\_\_\_\_ distance from point of sale\*

\_\_\_\_\_ miles.

(b) If wood is extracted from off of the reserve, what arrangements regarding cutting rights have been made with the owners and who are the owners? What are the terms of the contract in respect of:

Stumpage fees ..... N/A per annum

Tenure (length contract) ..... \_\_\_\_\_ years

Date commenced ..... \_\_\_\_\_ mo./yr.

Date to be terminated ..... \_\_\_\_\_ mo./yr.

Renewable options - elaborate .... \_\_\_\_\_

---

\* If wood utilized on reserve, distance will be to mill site.

(c) Is the current operation conducted on a seasonal basis?

-- *Yes - February and March*

(d) What has been the average number of months in operation over the past ~~XXXX~~ years?

*one*  
-- *Two*

(e) Do you think that the operation could be improved by further mechanization or modernization?

-- *NO*

(f) If yes, what type of changes would you recommend?

(g) How would you expect this to affect employment and production?

(h) What in your opinion are the most significant variables working against minimizing production costs on this operation?

Check below: --

Labour:

- |     |                          |                 |
|-----|--------------------------|-----------------|
| i)  | Skill level - low .....  | _____           |
|     | - medium .....           | _____ <i>XX</i> |
|     | - high .....             | _____           |
| ii) | Low wages or rates ..... | _____           |

- iii) Lack of motivation ..... \_\_\_\_\_
- iv) Unavailable on a continuous basis ..... \_\_\_\_\_
- v) Other - specify ..... \_\_\_\_\_

Management:

- i) No or poor leadership ..... GOOD
- ii) No incentives given to labour ... \_\_\_\_\_
- iii) No training provided ..... XX
- iv) No cost control ..... XX
- v) No production control ..... XX
- vi) Other - specify ..... \_\_\_\_\_

Equipment:

- i) Antiquated equipment thus high maintenance costs and low productivity ..... NEW
- ii) Non-integrated system ..... XX

Logging Chance:

- i) Terrain ..... GOOD
- ii) Small Wood ..... 12-14" tops - 14' high

iii) Bad environment - specify ..... \_\_\_\_\_

iv) High transportation cost ..... \_\_\_\_\_

v) Other - specify ..... \_\_\_\_\_

- (i) What is your estimate of the potential output per month if the two most significant constraints were eliminated?

-- 50 M f.b.m.

- (j) Is it feasible to eliminate these constraints?

-- NO

- (k) If so, what should be done and what would be the approximate cost?

- (l) Estimate how this would affect production, operating costs, and employment.

#### IV. WOOD PROCESSING

- (a) Where is the wood being acquired for the mill at present?

-- On-reserve ..... 100 %

-- Off-reserve ..... \_\_\_\_\_ %

- (b) If the wood is acquired off the reserve, from whom is it purchased and at what price?

-- N/A

- (c) Is the present operation conducted on a seasonal basis?  
Specify months in operation.

-- Yes - February, March and April

- (d) What is the average number of months worked per annum?

Three

- (e) Do you think that the operation could be improved by further mechanization or modernization?

Q48 — Yes

- (f) If yes, what type of changes would you recommend?

-- The addition of a small planer.

- (g) How would you expect these changes to affect employment and production?

-- Permit them to sell their lumber as finished lumber

- (h) What in your opinion are the most significant variables working against minimizing production costs on this operation?

Check below: --

Labour:

- i) Skill level - low .....  
- medium ..... XX  
- high .....
- ii) Low wages or rates .....

- iii) Lack of motivation ..... \_\_\_\_\_
- iv) Unavailable on a continuous basis .. \_\_\_\_\_
- v) Other ..... \_\_\_\_\_

Management:

- i) No or poor leadership ..... *GOOD*
- ii) No incentives given to labour ..... \_\_\_\_\_
- iii) No training provided ..... *XX*
- iv) No cost control ..... *XX*
- v) No production control ..... *XX*
- vi) Other ..... \_\_\_\_\_

Equipment:

- i) Antiquated equipment thus high maintenance costs and frequent downtime ..... *NEW*
- ii) Non-integrated system ..... *XX*
- iii) Other ..... \_\_\_\_\_

Sawing Chance:

- i) Large wood ..... GOOD - 14" D. 14' high
  - ii) Small wood ..... \_\_\_\_\_
  - iii) Bad environment - specify ..... \_\_\_\_\_
  - iv) Other ..... \_\_\_\_\_
- (i) What is your estimate of the potential output per month if the two most significant constraints were eliminated?  
 -- 100 M f.b.m.
- (j) Is it feasible to eliminate these constraints?  
 -- Yes
- (k) If so, what should be done and what would be the approximate cost?  
 -- A planer is required at cost of \$450.00.
- (l) Estimate how this would affect production, operating costs, and employment.  
 -- Increase employment by 6 man months
- (m) What do you think or understand were the objectives of setting up the operation in the first place?  
 -- Local lumber employment

(n) Do you think these objectives are good or sound objectives?

-- *Yes*

(o) If no, what do you think the objectives should be?

(p) If yes, do you think that the objectives are being met?

-- *Yes*

(q) Are there other opportunities which would employ as many or more people at the same level of capital investment? Please elaborate.

-- *No*

(r) Do you think that the current operation or investment represents the best opportunity in lieu of the benefits (monetary and social) received by the people involved?

-- *Yes*

(s) If answer to (r) is yes, what improvements could be made in the current operation? Please elaborate.

-- *Planer is required*

(t) If answer to (r) is no, what alternate investment would you recommend?



V. QUESTIONS CONCERNING THE PRODUCTION MANAGEMENT VARIABLE

(a) How is the present operation organized?

- i) cooperative ..... \_\_\_\_\_
- ii) partnership ..... \_\_\_\_\_
- iii) government supervision - yes ..... \_\_\_\_\_  
       (specify who and  
       sources of funding) - no ..... \_\_\_\_\_
- iv) entrepreneurial (people working  
     for and paid by a leader other  
     than a government official) ..... \_\_\_\_\_
- v) other (specify) ..... Band Owned

(b) What are the motives of present management?

- i) maximize profits ..... \_\_\_\_\_
- ii) supply domestic needs ..... XX
- iii) employ as many people as possible ... XX
- iv) training ..... XX
- v) supply open market ..... \_\_\_\_\_

VI. MARKETING

(a) What per cent of total production (annual) is sold off the reserve?

-- *None at present but potential is there.*

(b) To whom is this sold and at what price per 1,000 f.b.m.?

(c) Do you anticipate a potential (next five years) market off the reserve?

-- *Yes, if planer is obtained.*

(d) If answer to (c) is yes, where and at what price per cord or M f.b.m.?

(e) Who are or would be competitors?

-- *Kenora - Winnipeg*

(f) Can the proposed operation compete without government subsidization?

-- *Yes*

(g) If no, list main reasons why it cannot compete.

(h) Are there institutional constraints restricting sales off the reserve? If yes, please specify.

-- *No.*

(i) Do you think local industry would guarantee purchases of wood or timber on an annual or monthly basis?

-- *No*

(j) What are the estimated requirements for wood?

		Volume (f.b.m.)	
		<u>1971-72</u>	<u>1973-75</u>
i)	<u>Local</u> (reserve or settlements)		100 f.b.m. 1972-73
	houses	30M	40M f.b.m. per annum
	docks		
	fishing camps		
	other		
ii)	<u>Other Government Agencies</u>		
	education - schools		
	health and welfare		
	-- hospitals		
	other		
iii)	<u>Export</u> (off-reserve)		
	industry - mines		
	- mills		
	- tourists		
	consumer - briquettes, decorations		
Total five year requirements - volume (f.b.m.)			300 M f.b.m.
Total value of requirements (estimated)			\$ 61,500.00

The following questions relate to marketing management.

(a) Has there been any attempt to market the product via advertising, promotion or other commercial media?

-- No

(b) If yes, what are the approximate costs?

-- N/A

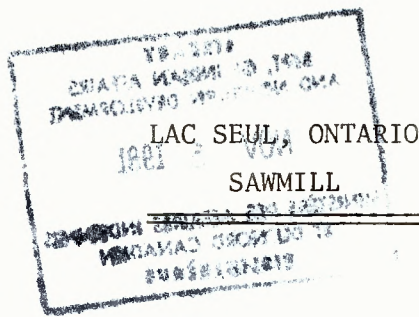
(c) In your opinion, has this promotion been effective?

## GENERAL INFORMATION

The purpose of this section is to yield information on the physical and cultural setting within which the forestry operation exists.

1. Area Name: *LAC SEUL*
2. Agency: *SIOUX LOOKOUT*
3. Total Area: *9,000 ACRES*
4. Population: *534*
5. Number of Family Units: *133*
6. Number Children Per Family: *2*
7. Labour Force: *160*
8. Ethnic Origin: *OJIBWAY*
9. Net Income Per Family: *4,000*
10. Net Welfare Income Per Family: *1,440*
11. List the present area of employment: *GUIDING, FIRE FIGHTING, PLANTING TREES, LUMBERING, TRAPPING*
12. List the potential areas of employment: *GOVERNMENT WORK*
13. What are the more significant problems of the Band: elaborate:  
*COMPETE WITH LUMBERING COMPANY RIGHT AT SEUL LAKE.*





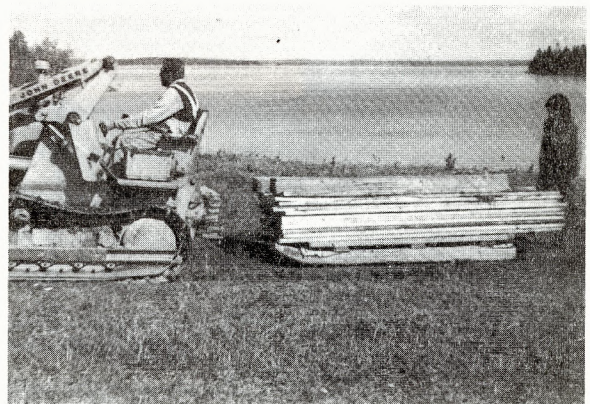
Headsaw and Carriage



Rough Lumber undergoing Seasoning at Lake site one-half mile from Sawmill



Logs awaiting sawing. Note diameter of logs by comparison with Chief David Angeconed.



Skid used to haul lumber from sawmill to Lake site. Note, horses draw Skid in winter.