FINAL REPORT

ON THE

FEASIBILITY

OF A

FORESTRY OPERATION

FOR THE

NATIVE PEOPLE

OF THE

STURGEON LANDING AREA

By: James M. Bacon

Box 1646 The Pas, Manitoba July 10, 1972

Mr. W.D.G. McCaw Regional Superintendent of Economic Development Department of Indian Affairs and Northern Development 1874 Scarth Street Regina, Saskatchewan.

Dear Mr. McCaw:

I have completed my study in accordance with our April 13, 1972 Contract and Mr. A.J. Gross' April 12, 1972 letter regarding the proposed forest operation in the Sturgeon Landing area. The complete report is enclosed.

It has been a distinct pleasure to work for your Department. I trust that the information that I am submitting will be helpful and I await with interest future developments.

Yours sincerely, Jacon

James M. Bacon

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ACKNOWLEDGEMENTS

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I have had excellent cooperation from all parties contacted. I wish in particular to express my appreciation to Messrs. Bernard Job, Adolph Sewap, George Michell, Charlie Bud and other residents of Sturgeon Landing for their assistance and cooperation. In addition, the Department of Indian Affairs and Provincial Government officials were very helpful and cooperative. Without exception these men were sympathetic to the plight of the Native people and are prepared to assist wherever possible.

Simpson Lumber Company, Churchill Forest Products, Saskatchewan Timber Board, Prendiville Sawmills, Ltd., Spruce Products Limited and John Lesko were all very interested and expressed a willingness to become involved when a definite proposition could be presented. This cooperation made my task very pleasant.

OBJECTIVE OF STUDY

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Under contract with the Department of Indian Affairs to assess the feasibility of a forestry operation in the Sturgeon Landing area which would:

- 1) Provide employment for the Native people of the settlement of Sturgeon Landing
- 2) Utilize the forest resources available on Reserve No. 184F in the best interest of the Peter Ballantyne Band
- 3) Lead toward a higher standard of living for the residents of the settlement

BY:

- (i) Determining the availability of timber and market
- (ii) Determining the interests and capabilities of the Native people in the area.

In the event that a forestry enterprise appears feasible the contractor will recommend and report on:

- 1). The type of equipment required
- 2) The training requirements and availability of facilities and/or a method to provide same
- 3) A management plan which will provide adequate management with the eventual assumption by the Indian people of the full responsibilities for the project.

INTRODUCTION AND GENERAL REMARKS

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I am pleased to be able to state that it is my honest opinion that a viable timber operation could be undertaken at Sturgeon Landing by the residents of the Settlement, supervised at the beginning by personnel who are less concerned with record-breaking production than with getting the operation well established and training men of the area to take over key positions. At such a time that the personnel are, in the opinions of those in authority, capable of dealing with most of the tricky aspects the supervision should be withdrawn and the entire project be the responsibility of the Co-op or Company, however they are finally organized.

The timber is there, excellent timber, and in a large quantity. The market is ideal at present for all forest products, with the possible exception of pulpwood which will, I am sure, improve. The labour is there, already well trained in logging and sawmill work. The management capabilities are there as well, I feel sure, but muse be developed. I believe, too, that the desire to be able to produce additional income while living at home has caused most of the residents to do some serious thinking about the requirements of managing an operation and they are beginning to realize that this is an attempt to put them on their own feet, masters of their own destiny, to provide them with a chance at some degree of independence.

There is still much hesitance and reluctance to take a positive step on unfamiliar ground lest they fail and be criticized. There is also the old suspicion about trying to play the white man's game on the white man's terms.

Individuals are reluctant to accept positions in authority over neighbours and

friends. There is some division between Treaty and non-Treaty and between Bands. All are very sensitive to ridicule and are painfully aware of being inexperienced in business affairs. These aspects and many others must be recognized and dealt with wisely by anyone in authority which is not always easily done.

At all points in my discussions with officials, both Government and Company,

I have met sympathetic concern and an expressed desire to do all in that
person's power to assist in this project, however, without exception these
men were of the opinion that as similar projects had been attempted elsewhere and failed dismally they held out very little hope for this one. Most
had not, of course, attempted to analyse why the others had failed. I am
aware that all that I know of have failed, however, I know that some of these
at least have failed for lack of some of the essential ingredients. Usually
it was lack of communication and understanding between those in authority
and the people. Also, in most cases, the stated objective of the project had
been typically the white man's point of view, namely to show a large profit at
once so that the operation could be enlarged to show a larger profit, ad infinitum
with the final objective being a large, complicated business. This is
absolutely foreign to the Native's point of view - he doubts that he will
benefit in the end and likely would not.

In this case the main interest in this operation is that they can foresee some lumber being cut on the spot to build more and better houses for themselves. They regard the extra income derived from sale of surplus products as very welcome as well, but I believe this is secondary in importance to them.

I believe that it is the duty of those in authority to take a long look at the records of those projects which have failed and come up with the true causes of the failure. Whisky and fast cars (in this case wine and taxis) can be fatal to any operation, so can absenteeism, non-payment of account or someone absconding with the kitty but these are effects, not the original cause. Many white men's operations have the same things occurring and, if not rectified very soon, they fail with a resounding thud. It is likely that an examination of these past cases could turn up information which could be put to good use to avoid the same mistakes in subsequent efforts.

RECOMMENDATIONS

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- 1) That a legal entity to operate a forest enterprise be established. It would appear that the people's interest is to form a production cooperative.
- 2) That the initial enterprise should be developed gradually, aiming for an efficient, small operation rather than a record-breaking production of inferior products. Costs should be kept low until experience is gained. Production may then be stepped up. Changes in market conditions from year to year should shift the emphasis from one product not in keen demand that year to another with a better demand and price. Under present market conditions a small sawmill should be set up as soon as possible with or without a portable planer and with a minimum of logging equipment, with the intent of producing lumber for local use. Any surplus should be disposed of through the best market outlet. An operation to the scale of 250 M f.b.m., plus bi-products such as stud-bolts or pulpwood, would be large enough at the present time.
- 3) Since the labour will not likely be available except for about five months of the year, production will be automatically limited by this factor, therefore, a maximum cut of all products to the equivalent of one million f.b.m. should be maintained. This provides a long term sustained yield for the area, probably, with good management and no fire loss, indefinitely, as annual increment on the stand is very good at present.
- 4) Methods of cutting should be determining what the main product is to be for that year, i.e. lumber, ties, etc., then choosing a stand of timber containing a majority of trees suitable for that product, however, all trees in the stand

to be cut should be removed at the same time and trees not suitable for the main product should be cut into other saleable timber such as stud-bolts and pulpwood salvaged from tops and small trees during an operation for lumber. Everything of commercial value should be removed from the cutting area as cutting progresses. Selective cutting would not be very successful in this type of ground as any residual stand left after much of the stand is removed would blow down due to shallow rooting in the rocky soil. Also, modern logging severely damages any trees left standing.

- 5) The timber on the limestone ridge just north of Namew Lake on Sections 13 and 14 should be removed as soon as possible as it is deteriorating and blowing down. The large scattered pine and spruce on Sections 25 and 26 are mature and should be harvested, though they do not seem to be deteriorating, merely not growing much. On the other hand, the dense, young stands immediately west of the village are making excellent growth and should be left strictly alone as long as possible.
- 6) Where cutting is done stumps should be kept low and tops lopped to lie flat to promote rapid decay of limbs and tops. After an area is cut over, traffic with machinery through the area should be avoided to save damage to regeneration.
 - 7) Some experiments should be attempted as well, keeping close records of costs such as several cars of studs shipped to Simpson at Hudson Bay, perhaps a small contract for ties with Saskatchewan Timber Board and pulpwood if the market improves, particularly sap-peeled pulpwood from black spruce stands, a fair price quoted even now by Saskatchewan Timber Board.
 - 8) Since a great deal of training in actual milling and logging is not necessary, on-the-job management training, which includes necessary record keeping, should be provided.

- 9) Consideration should be given to developing the business jointly between the Indian and Metis population of the Settlement and by utilizing the timber resources available on the Reserve and on the adjacent off-Reserve land.

 Control of the entity should be retained by the local people.
- 10) That a bridge suitable for heavy traffic be built across the Sturgeon Weir River.

THE PEOPLE OF STURGEON LANDING SETTLEMENT

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Population

The total population of the Settlement is an estimated 200, not a constant figure - there is considerable fluctuation due to seasonal work, visiting distant relatives, guiding, etc. This population is made up of:-

- Treaty Indians, living on Reserve #184F of which there are seven families of the Peter Ballantyne Band and three families of the Cumberland House Band who have lived here many years and are intermarried.
- Metis, about six families but vary in number. They live off the Reserve near the store, schools, etc., some intermarried with Treaty Indians.
- Whites, manager and personnel of store and tourist camps, at present two families, school teachers, man and wife, Mederic Poirier, with several taxi drivers. Cumberland House RCMP Detachment maintain a cabin, are in the area part-time. Periodic visits from Public Health, other Government officials. At present numerous tourists, seven cabins usually occupied.

Labour Force

Total employables, approximately twenty Treaty and fifteen Metis, varies greatly due to seasonal employment in and out of the area. Most men engaged in commercial fishing in summer season, some guide tourists part-time, not many fall hunting parties. Usually some construction project underway during the summer employs a number of men. Some trap in fall and winter. During the summer period, therefore, most men are occupied at least part time, not always gainfully. During the winter months, however, and especially during

the freeze-up and break-up periods, the unemployment situation in the Settlement is acute and most men would be available for work on a timber operation while living at home. Most men indicate that they would much prefer some such employment near home rather than leaving home to work in mills and camps. Not much of the wages earned in distant mills ever get back to the families anyway.

Education and Skills

Nearly all of the residents speak very good English and are literate, a few quite well educated. All of the men have, at some time, worked in the neighboring sawmills and timber camps and are excellent loggers and millmen. Many have experience in driving logging machinery - skidders and cats, etc., as well as sawmill work. All are, of course, good bushmen. The men from this area have an excellent reputation with forestry officials of both provinces as fire fighters. Canoe and boat work is natural to them. Also, most have had some experience in carpentry and construction from the work done in the Landing from time to time, also some outside construction.

Some of the qualities that are necessary to carry on any type of operation appear to be lacking, or perhaps undeveloped, namely business experience, bookkeeping and crew leadership. This is because while working on outlying jobs they are working under strangers and do not usually remain long enough on each job to be promoted to more responsible positions — usually they have no wish to be. Similarly, while working on construction near home the job is usually contracted and accounts are handled and work laid out and overseen by the contractor or his foreman. In both cases no experience in accounting or leadership is gained.

I believe that these qualities are present but latent and need to be developed through supervision which is aimed more towards training other personnel than

toward obtaining the maximum production. There will be some reluctance to asserting authority over neighbors and friends, possibly enemies as well, and considerable fear of making mistakes, etc. These problems must be overcome as encountered.

COMMERCIAL TIMBER AVAILABLE -STURGEON LANDING RESERVE NO. 184F

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STURGEON LANDING RESERVE NO. 184F

1. Location, Size and Boundaries

This Reserve is approximately 24 miles west of the Siding of Atik on the CNR between The Pas and Cranberry Portage. Land locations are fractions of Section 13, 14, 15, 22, 23, Fraction 24, Fraction 25, 26, 27 and Fraction 34, 35 and 36, all in Township 61, Range 30, West of the 1st Meridian. It is bounded on the south by Namew Lake and on the east and north by the Sturgeon Weir River.

Though there is a fair gravel road from No. 10 Highway at Atik to the store and Settlement on the east bank of the river, access to the Reserve is restricted to a steel foot bridge, four feet wide, or winter traffic across the lake. There appears to be one place that the river is fordable across rocks but the water is very swift and only heavy machinery - cats, etc. - could safely cross here.

2. Commercial Species of Timber Present

Soft Woods - White Spruce (Picea Glauca)

- Black Spruce (Picea Mariana)
- Jack Pine (Pinus Banksiana)
- Balsam Fir (Abies Balsamifera)
- Tamarac (Larix Larcina)

Hard Woods - White Poplar (Populus Tremuliodes)

- Black Poplar (Populus Negra)
- White Birch (Betula Papyrifera)

3. Volume Estimates

From Saskatchewan Forestry aerial photographs plus ground sample plots:

Soft Woods

White Spruce 13,490,000 f.b.m.

Black Spruce 338,000 f.b.m.

Jack Pine 566,000 f.b.m.

Balsam Fir 643,000 f.b.m.

Tamarac 32,000 f.b.m.

Hard Woods

White Poplar 8,661,000 f.b.m.

Black Poplar 1,410,000 f.b.m.

White Birch 358,000 f.b.m.

Normal allowable margin of error on above - plus or minus 20%.

During the month of May, 1972 I ground checked most of the stands shown on the Forestry map for the area, merely walking through each to be sure of proper timber typing on these maps, no attempt to cruise any part of it. I believe these estimates are at least accurate enough for the purpose of this report as it is easily obvious that there is ample timber on the Reserve for many years of operation on a relatively small scale.

4. Age, Condition, Size, Etc.

All of the area seems to be covered by an even aged stand - somewhere between 80 and 90 years - with possibly some of the scattered timber towards the north side being slightly older, but none over-mature from what I saw. There is evidence of a very old fire over much, if not all, of the area - old, charred pine stumps, with the present stand growing out of them indicating a fire of somewhere around 100 years ago or more. Charred pine never rot.

There is a large limestone ridge across the centre of Sections 13 and 14, a solid limestone outcrop with very shallow soil. This is covered with a good stand of white spruce and pine up to 20" at breast height, but due to the shallow soil over solid rock it is not well rooted. This is beginning to blow out by the roots or die of root starvation before reaching maturity. This area should be clear cut as soon as possible to salvage as much as possible of the existing stand. Tops should be limbed out to lay flat and brush spread to assist regeneration of a new stand. Regeneration seems good over all portions of the Reserve.

On Sections 23 and 24 there are several large blocks of excellent young timber still growing well, very tall and clean and up to 20" d.b.h. but the majority 10" to 14" d.b.h. This would be ideal for a stud timber or 16' log operation with volume of upwards of 5000 cords or more, however; this timber has not reached maturity and need not be cut until later, allowing more growth. Included in the area are pockets of smaller, very dense stands of pulpwood, or even too small for that. If the remainder were cut from around these pockets they would very likely blow down.

Probably the majority of the saw timber is in a large block of scattered spruce and pine standing in poplar or in open stands on Section 25 and 26 and along the river banks, both north and east of the Reserve. These are mainly large isolated trees, except along the river - would not be too difficult to log in tree lengths to the mill site with a skidder.

It is in this last mentioned area that there could be a quantity of good white poplar fit for saw timber. Much of it is over-aged, however, and would require

careful selection to obtain sound lumber. Also in the same area is a certain amount of pine suitable for ties.

There is a large open muskeg running the entire length of the Reserve north and south, approximately two miles west of the Settlement. This contains some stands of tamarac, possible fence post timber. Immediately adjacent to the muskeg are long narrow blocks of black spruce, some excellent size for pulpwood operation.

COMMERCIAL TIMBER AVAILABLE - .

CROWN LAND ADJACENT TO STURGEON LANDING RESERVE

COMMERCIAL TIMBER AVAILABLE -

CROWN LAND ADJACENT TO STURGEON LANDING RESERVE

The Saskatchewan Forestry estimates also indicate that there is a considerable volume, approximately 48,000,000 f.b.m. or 90,000 cords, of merchantable timber on Crown lands adjacent to Reserve #184F, that is, on the remainder of Twp. 61, R. 30, west of the Reserve, all of Twp. 61, R. 31, Twp. 62, R. 30 and Twp. 62, R. 31, the last two being north of the Reserve.

This timber is at present under contract to Simpson Timber Co. of Hudson Bay, Sask., but would be very nearly inaccessible to them, particularly that on Twp. 61, which lies north of Namew Lake, west of the Reserve and the Sturgeon Weir River, which also cuts off the north side. There is no access to this area at present, except possible winter traffic across Namew Lake the long way or possibly by several lakes to Cumberland House. The northern townships are nearly as bad — cut off to the south and east by the Sturgeon Weir and the Goose River. There is possible access to the north and east to Cranberry Portage but mileage is excessive.

Simpson Timber Co. has already indicated that it would consider taking on an operation of stud-bolts by the people of Sturgeon Landing Settlement and at, in my opinion, fairly attractive prices and other considerations.

An operation in these areas could provide additional scope for operations off the Reserve if, for any reason, this should be desired. For instance, the situation could arise where the Peter Ballantyne Band would forbid operating on Reserve 184F. There would be problems, however, more so than if operating on the Reserve. Firstly, access would still be difficult. Even with the

construction of a bridge at the Settlement there would be some miles of winter road to be put in to operate the timber to the west, possibly 10 to 15 miles, as there is a wide area of wet marsh just west of the Reserve, timber all west of this, and a bit scattered. The northern townships could mean more bridge trouble as both rivers are very swift and ice crossing is doubtful. Secondly, both areas would mean the construction of bush camps too far from the Settlement to work from home. Thirdly, because the area is under contract to Simpson Timber Co. the operation would be restricted to stud-bolts and the sawmill would remain idle.

I did not examine these areas as there seemed to be sufficient quantities on the Reserve, especially as a rather small operation seems indicated, however, I am confident that the volume stated by Saskatchewan Forestry would be fairly accurate and would not be too difficult to locate if needed.

MARKET POTENTIAL

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All in all the markets for most forest products is very favorable at present, particularly finished lumber. The local building in the region of The Pas connected with the development of the area during the last several years has created a great demand for framing material, 8' studs particularly are in great demand, 2×4 and 2×6 as well. Inch lumber is not used as much in the modern housing construction. Ties and mining timbers are badly wanted at the mines in the vicinity of Flin Flon and Thompson.

Following are the market outlets contacted and some information on the requirements of each. Most have been unable to quote a firm price for any particular product, being dubious I believe, of the outcome of the proposed operation, however, all seemed sympathetic to such an operation and would be prepared to negotiate exact prices when in a better position to judge the quality and the quantity produced.

Churchill Forest Products, The Pas

An integrated forest complex composed of the Rivers Sawmill, a papermill producing Kraft and other grades of paper and several related industries situated seven miles north of The Pas. It has been in operation several years, just now hitting full production.

Mr. Albert Moyer, Production Manager, described their methods of operation.

Cutting is done mainly by contractors on Crown land using all the modern equipment and methods to move the timber cheaply and rapidly and ensure an adequate supply for the mills. The timber is cut into 16' 6" logs on a skidway

where it can be picked up by the truck. Loading and unloading of trucks is all mechanical. At the mill all material is debarked and those suitable for sawing sent through the sawmill, small crooked sticks and waste from the mill going into chips for the pulpmill.

They have one operation on the Moose Lake Reserve, some 75 miles east of the mill. This began as a coop among the Moose Lake Band supplied with skidders by the Federal Government, operated by the Band, however, this did not succeed due to too much down time on the machinery. Now it is operated by one of the regular operators hiring labour from the Band. Cutters are paid at the rate of \$14.00 per cord (contents 85 cu. ft. solid) of 16' 6" delivered and piled so that it may be scaled on a truck road, provided the timber has less than 10% of the tops under 5". Over 10% tops under 5" and over 4" - \$13.00.

In addition, where the timber is cut on Reserve lands a stumpage bonus is paid.

Trucking is the responsibility of the CFI.

Mr. Moyer agreed that the Sturgeon Landing Reserve would be an operation very similar to Moose Lake, less mileage, but restricted to winter hauling across Namew Lake so that prices would likely be in line. He stipulated, however, that because of winter hauling only, and for other reasons, he would require a guaranteed production of at least 2000 cords per season.

Simpson Lumber Company, Hudson Bay, Sask.

A stud mill operation originally designed as a high utilization mill cutting 8° 2 x 4 studs, with mill waste and unusable sticks going to the chipper to be shipped as chips to some pulpmill. All timber is still debarked before

entering the mill but apparently the chip operation is uneconomical just now so unusable sticks are not hauled in and mill waste is burned. Some pulpwood (as little as possible) is produced at the camps and delivered to CFI where feasible, which barely pays expenses.

Mr. Jack Montgomery, Manager at Hudson Bay, informed me that they would purchase stud-bolts from an operation at Sturgeon Landing, of suitable quality, loaded on car at Atik, for a price to be negotiated pending freight costs, loading and unloading which includes trucking to the railway, also an allowance for stumpage. At that time he estimated the price in the vicinity of \$16.00 per cord. This material is to be not less than 5" top and not less than 100" in length, straight and sound. From such an operation there would be a small amount of pulpwood resulting from sticks unsuitable for studs which could be trucked to CFI, again barely paying expenses.

There had been some discussion previously of obtaining additional timber outside the Reserve for operation by the Sturgeon Landing people. All timber in this area of Saskatchewan with the exception of Indian Reserves and private lands, if any, is presently under agreement between the Saskatchewan Forestry Branch and Simpson Timber Co., the timber being reserved for Simpson operations unless specifically released by them or so ordered by the Minister. From information received in a copy of a letter from the Director of Forestry to Mr. Watt of Indian Affairs, Prince Albert, it appears that Simpson Timber would be prepared to consider releasing certain timber in the area to assist in establishing a viable and manageable operation for stud-bolts purchased by Simpson, of course, up to the allowable annual cut for that area. They would, as well, provide a certain amount of supervision, bush scaling and

perhaps other assistance in promoting the success of the operation but naturally would not accept responsibility for any part of it.

Prendiville Sawmills, Ltd., 100 Polo Park, Winnipeg, Manitoba

This Company has been operating for many years in the area of Manitoba adjacent to the Sturgeon Landing area, also at times in Saskatchewan. They have a small sawmill, very efficient, at the Atik Siding and some timber limits in Manitoba but will be unable to obtain more cutting area under the existing agreement between the Manitoba Government and CFI. They produce sawn and planed lumber, as well as a wide variety of specially cut timber for use in the mines in the Flin Flon and Thompson area. Practically all parts of the tree are utilized for some type of product.

Mr. Ernie Turshman, local representative for Prendiville, lives in The Pas.

Mr. Turshman supervises the Atik operation. He took all the information that

I could supply about the proposed operation and passed it on to his Head

Office asking that it be considered there and some proposals brought forth.

No reply has been received from Winnipeg so far but it seems likely that they

would be quite interested as the timber is of the type they use, the haul to

Atik is not excessive for them and it seems they have nearly unlimited markets.

No discussion of price so far has taken place but would be in line with other

markets at least.

Another advantage of this Company is that they know the area and know the people very well, many of the Sturgeon Landing men having worked for them, as some are now. Also, the local people all speak well of Prendiville and seem to understand the working of this operation quite well.

I believe this Company may either wish to put a small mill on the Reserve operated by local labour throughout and purchase the production by the piece or cord, supervising the whole operation, or purchase the product produced by an independent organization delivered to Atik. Either could be quite viable.

Saskatchewan Timber Board, Carrot River, Sask.

Superintendent George Lidster appeared quite sympathetic to the establishment of an operation at Sturgeon Landing but frankly doubted the outcome as a result of his experiences in the past with the Red Earth Sawmills and the Cumberland House Co-op, both now defunct it seems. Mr. Lidster was quite interested, however, in purchasing some of the products likely to be produced lumber sawn to S.T.B. specifications, strapped into bales and piled on the site, accessible by truck when lake traffic would permit, scaled and advance paid until accessible to be trucked to Carrot River. 'S.T.B. would supply loading equipment and a fleet of trucks when sufficient quantity was cut and when access possible to haul as rapidly as possible. Railway ties would be on a similar basis. Good interest was shown in sap-peeled spruce pulpwood on cars, Atik, also rough pulp but somewhat less enthusiasm. Mr. Lidster was unable to quote firm prices on any product but promised to contact me as soon as mileage differential, freight costs and stumpage allowance was worked out. He indicated the best and most encouraging estimates of prices so far and appears to be the only outlet interested in pulpwood at a profitable rate.

Spruce Products, Ltd., Winnipeg, Manitoba

Mr. Frank Marvin, Manager, took some brief information from me (time was very limited at our meeting) and agreed to contact me later. No reply has been received so far. He was very interested in lumber F.O.B. Atik, possibly some

other products. This Company does some lumber and pulpwood brokerage business and some production in other parts of Manitoba.

John Lesko, The Pas, Manitoba

An individual smaller operator of long experience in similar operations in this area. He is at present operating a small cut on the south side of Namew Lake in Saskatchewan - has an efficient small mill and logging equipment.

Mr. Lesko appears to have no further area to operate on in sight. He operates similar to Prendiville but on a smaller scale, in fact, at present he sells much of his production through Prendiville. He is well acquainted with the Reserve and the people and has used most of the men at Sturgeon in his operation in the past. He appears well liked by the majority in the Settlement. He seems interested in moving onto the Reserve and operating for several years to give the people experience in managing, gradually phasing out his interest, or would consider supervising on salary.

Department of Indian Affairs, Housing Construction

It appears that housing construction on all Reserves is consuming large volumes of building supplies which are at present purchased at high prices. A small mill on this Reserve with the local labour present could produce lumber well below the costs of purchased lumber. This lumber could be dry-piled on the Reserve and planed by a small portable planer such as is now at Cumberland House, the amount used for local construction remaining on the site and the remainder dispersed to other Reserves at a negotiated price by Indian Affairs. For proper utilization a small amount of pulpwood, and perhaps some stud-bolts and other products, should be taken as by-products of the main operation. These could be disposed of through one of the above outlets.

The advantages of this system are: Firstly, I believe the local residents have had this in mind when the original request for a timber operation was made and understand more or less what is required here. They are keenly interested in the production of building materials, primarily for use at that site.

Secondly, to provide some additional income while living at home. Thirdly, this would be the least complicated type of operation to establish and requires the least amount of supervision, business management and machinery.

Furthermore, there is some feeling that a Company operation on the Reserve would eventually result in the timber resources of the Reserve being denuded with irreplaceable damage to wildlife and environment. I agree with this feeling, that it would be difficult to control excessive or improper cutting by a company or corporation which is naturally profit-oriented.

Other Outlets or Combinations of Several

Without doubt, if an operation is established other market possibilities will appear. For instance, in the farming area in which I reside most people wishing to do their own construction prefer to buy lumber direct from a mill, both because it is cheaper and because it is usually possible to obtain the material that is needed. Considerable amounts of lumber could be disposed of thus.

Also, many of the large construction contractors would deal direct because they may get a better price, but as well, frequently odd sizes and dimensions are required for special purposes which could be cut to specifications by the mill.

There may be as well a fair market for such products as poplar lumber, Tamarac posts, Tamarac bridge timbers, perhaps birch lumber, etc. The trees for such

products are present and could be produced on special orders. I believe some of these could provide a "bread and butter" occupation for some during times of unemployment and off seasons.

The fact that most companies have promised to consider the matter and come forward with proposals of operating conditions and prices, etc., then are slow in coming forward with such statements, is, I believe, not due to lack of desire to purchase. Rather, I believe, it is due to some doubts whether the operation would get off the ground and, in certain quarters as this seems to be a Government-sponsored project, the suspicion that politics and prejudice is likely to enter into it somewhere.

Another product in good demand locally is partially built fish boxes. These are difficult to obtain by the fisheries companies. This would require a special mill and equipment but not a big item. Several small box mills operate in a limited fashion in this area and are unable to supply the demand. This type of box mill could supply other containers as well — core boxes for the mining industry, fruit and vegetable containers, etc. It would bear investigation.

LOGGING AND MILLING MACHINERY .

LOGGING AND MILLING MACHINERY

It does not necessarily follow that new machinery need be purchased if good used machinery of proven capability and well maintained is available reasonably. In particular, the sawmill and the planer would have to be modified by the millwright when being set, perhaps altered later, until the proper setup is obtained. Probably more modification is required with new mills than a good used mill. Considerable caution must be used in purchasing any used machine. Motors may be difficult to judge, but an experienced man usually can assess the costs of needed repairs to put a used machine in condition.

Skidders are very expensive machines running from \$12,000 to \$20,000 new depending on size and make, however, machines can be obtained on a rental basis from the manufacturers from \$600 per month up, thus if the machine was only needed for two or three months it would perhaps pay to lease for that period rather than have an expensive machine stand idle. Naturally, the depreciation on any machine is nearly as great when the machine is idle as when working. Also interest, insurance, etc. would not be piling up. Some companies have a lease, a purchase proposition whereby the machine may be rented for a stated period when a decision whether or not to purchase must be made. If purchased all rental paid to that date would be credited as down payment on the purchase price.

Some type of loader will be needed to deck and load the rollway of the mill with logs, also to load pulpwood and other products on trucks. A good outfit might be a loader on a small cat such as a D4 which could be dismounted so the cat could be used with a blade or for skidding, etc.

No trucks should be purchased. This operation will not be producing for more than five months of each season and products should be accumulated and hauling contracted to one of the trucking companies who are specially equipped and experienced in trucking and would deliver the products faster and cheaper than could be done with owned trucks. Trucks are very expensive and depreciate rapidly. They must be kept at work continuously to be profitable.

ORGANIZATION

ORGANIZATION

At the meeting held at Sturgeon Landing May 9th (two versions of the minutes are attached) it was pointed out that the timber on #184F belongs to the Peter Ballantyne Band as a whole, not just those residing there. Therefore a Band Council Resolution would be necessary to grant permission to operate in this timber, also that a rate of dues per M f.b.m. and/or per cord should be negotiated with the Band to be paid into the Band Fund by those operating the area. There was general agreement.

As the operation was intended to benefit all residents of the Sturgeon Landing Settlement it would be necessary to form an organization composed of all residents, both Treaty and non-Treaty, on the basis of one man - one vote. This was agreed upon also, though somewhat dubiously. Since that time there has been considerable discussion on this point. It seems that some of the doubts have been resolved. There appears to be considerable division between Treaty and non-Treaty and it is generally believed that they could agree in such an organization. As they are familiar with the operation of a co-op through fisheries co-ops this is the type of organization being considered.

At the same meeting Ivan Codere of the Department of Co-operation offered to give every assistance at his disposal to help form such a co-op, provided that a decision be made by the people on the type of entity they wish to form. In addition, the objective of the entity must be established.

When and if the necessary Band Council Resolution is obtained and a decision has been made by the Department of Indian Affairs and other Departments in-

volved, and financing has been arranged, I feel sure that Mr. Codere could organize them readily.

POSSIBLE PROJECT SUPERVISORS

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1. John Lesko, The Pas and Wanless, Manitoba

As previously mentioned Mr. Lesko is quite interested in this project, either to operate several years, phase out his interests gradually, selling mill and equipment, with or without his portable planer, or to supervise on a salary. Mr. Lesko is well acquainted with the area and the people, runs an excellent small operation of his own but appears to have no further cutting area in sight. He is well acquainted with market conditions for all forest products and has many useful contacts in various markets.

2. Mike Stadnick, Swan River, Manitoba

About 40 - 45 years old, second generation timber operator from Saskatchewan just west of Swan River. Has conducted similar operations, both lumber and round timber for many years with excellent success. Usually uses Native labour - has great patience with his men and is well liked by most. Somewhat familiar with Sturgeon Landing, having operated his own CFI contract nearby for some time. His sons now handle the operation; he is overseer of mechanics which maintain CFI logging machinery, and troubleshoots among CFI contractors who are having difficulty. He is, of course, unavailable just now but indicated a great interest in this project - would very much like to undertake the supervision if not otherwise engaged. Highly qualified, about the right type of experience.

3. Gordon Cockwill, Conservation Officer, Cumberland House

I understand that Gordon is approaching retirement and is contemplating a sedentary life elsewhere, however, being active and energetic, I am positive

that sort of life would not suit him long - he would soon be looking for other interests. He is an expert sawmill and timber man in his own right, beginning with his father in a small mill in the Hudson Bay area, later serving Overseas with the Canadian Forestry Corp. in northern Scotland as a sawyer with rank.

Since 1946 he has served with the Saskatchewan Department of Natural Resources as Conservation Officer. During the whole of his service he has been by choice in districts where his main interests and duties were supervising timber operations. At present he has apparently put the Cumberland House logging operations on a paying basis for the first time. He is quite familiar with Sturgeon Landing and those people.

4. Bill Franklin, Dryden, Ontario

This man has worked for some years with Indian Affairs in northern Ontario on housing projects on remote Reserves. He normally is flown into a Reserve with a very small sawmill and perhaps a small cat where there is no other means of access, larger equipment where access is better. He organizes the residents to cut the logs, set up the mill and saw them into lumber for local use, often remaining to supervise the construction as well. He has no experience with commercial operations but seems to have ability in organizing and understanding local problems, improvising as required. He has only occasional employment in Ontario - is semi-retired. His son is a Forester with CFI where I met Bill. He made a trip to Sturgeon Landing with me and was very interested in the project. He gave me many tips on what he considered was needed there.

COMMERCIAL BRIDGE - STURGEON WEIR RIVER

COMMERCIAL BRIDGE - STURGEON WEIR RIVER

As previously mentioned access to the Reserve is restricted to water transportation and a foot bridge four feet wide in the Settlement. This feature severely restricts progress on the Reserve and is a considerable hardship for the residents. Development of both a timber industry and a tourist camp and facilities being considered now is extremely hampered by this lack of access.

Attached is a snapshot showing the means presently being used to transport building material across the river - man power with an improvised narrow-guage wagon. Cement will go across in packsacks, gravel in wheelbarrows. This is rather startling to encounter in this mechanized age.

Sometime in the 1950s a pile bridge was constructed by the Department of Natural Resources, Construction Branch, Bob Gooding, Jr., Foreman. This was adjacent to the foot bridge, all of wooden construction, pile driven in the river bed, four spans. Apparently the ice sheered these piles quite easily the following spring. This location is quite convenient, may or may not be the best place to bridge the stream.

The current is very swift in any part of the stream that I have seen, however, the range between maximum and minimum water level is not great. Ice is, of course, the critical item during break-up. I would think that two cement piers with the necessary steel superstructure would be required.

I feel sure that a bridge somewhere on this river will be found essential,

now or later. It is also possible that such a bridge would promote other development, not only on this Reserve, but farther west where there are at least other timber areas which cannot be developed economically, as well as further tourist potential.

REFER TO FILE

Province of



Saskatchewan

DEPARTMENT OF NATURAL RESOURCES

PROVINCIAL OFFICE BUILDING

PRINCE ALBERT

S6V 1B5

Forestry Branch, April 27, 1972.

Mr. P.H. Watt, Department of Indian Affairs, 1302 Central AVenue, PRINCE ALBERT, Saskatchewan.

Dear Mr. Watt:

Re Timber--Sturgeon Landing Area

When Messrs. Bacon and Lovell were in to see me last week, I told them I would inquire as to the current situation with respect to timber in the vicinity of Indian Reserve 184F, and whether or not Simpson Timber would be prepared to elease same.

The situation is as follows:

- 1) It is likely that Simpson Timber would issue a contract for stud material loaded on cars at Atik on request from the Indian group at Sturgeon.
- 2) Simpson would provide for some instruction as well as occasional supervision in terms of woods operations, but would not take on the job of resident bush foreman or such like.
- 3) Simpson would not be responsible for ordering cars at Atik, and this would have to be the responsibility of the producer.
- 4) The foregoing would assure a stud mill logging operation of an allowable annual cut to include timber from both the Reserve and adjacent townships.
- 5) With respect to sawtimber, before Simpson would give consideration to releasing any material to the group for sawing into lumber, the Company would want a formal proposal from the group for a specific volume, from a specific area, for a specific period of time.
- 6) Simpson officials, both in Hudson Bay and Seattle, are sympathetic to the social aspect that would be involved with any proposal.

In summary, I would suggest that your Department prepare a concrete proposal for the Sturgeon Landing area for presentation to this Department, and we would be prepared to take it from there.

Yours very truly,

W.S. Bailey, Director of Forestry.

WSB*kb



Saskatchewan TIMBER BOARD

SELVER SELVER

THERWOOD

AP.

PHONE 764-4266 Area Code 306

PRINCE ALBERT, SASK.

Carrot River, Sask. June 19, 1972

Mr. James Bacon Federal Dept. Indian Affairs Box 1646 The Pas, Manitoba

Dear Sir:

Re: YOUR INQUIRY ON WOOD PRODUCTS

Spruce lumber sawn full 2 in; packaged, sorted, stripped, strapped and stacked at your mill we would pay \$40.00 perM. This would be subject to a 10% hold back until it was delivered to our yard, for cutbacks, cull, etc. Our usual cutbacks and cull never exceeds $2\frac{1}{2}\%$ and as low as 3/4%.

The ties would have to be sawn, peeled and loaded at Atik for 80% #1 - \$2.60 and 20% #2 - \$1.90.

Sap Peeled Pulp for even 26 cord lots delivered on car at Atik - \$21.00 per cord.

Our prices do not include dues and compensation for purchases of this nature unless you make that request.

Please do not hesitate for any further information we can supply.

It is our policy to aid in any manner possible constructive projects undertaken for the natives.

Yours truly, John

G.E. Lidster

Regional Superintendent

GEL/eg

c.c. L. Harding

c.c. J. Nisbet

Spruce Products Limited

Winnipeg

CANADA

TELEPHONE 942-6427

BRANCH OFFICES: SWAN RIVER THE PAS MANITOBA

June 22, 1972.

Mr. James Bacon, Box 1646, THE PAS, Manitoba.

Dear Jim:

With reference to our conversation earlier this spring we are no longer buying pulpwood in the rough stage in The Pas area as everything is now being delivered to the complex in The Pas, We are still producing a small amount of peeled wood and we estimate the value of peeled spruce on cars in the Atik area to be approximately \$23.00 per cord.

We are always interested in logs delivered to our Clearwater Lake sawmill and if something develops whereby you can arrange to have logs delivered or produced and piled at a landing, we would be pleased to come up with a value at that time.

Thanking you for your inquiry, we remain

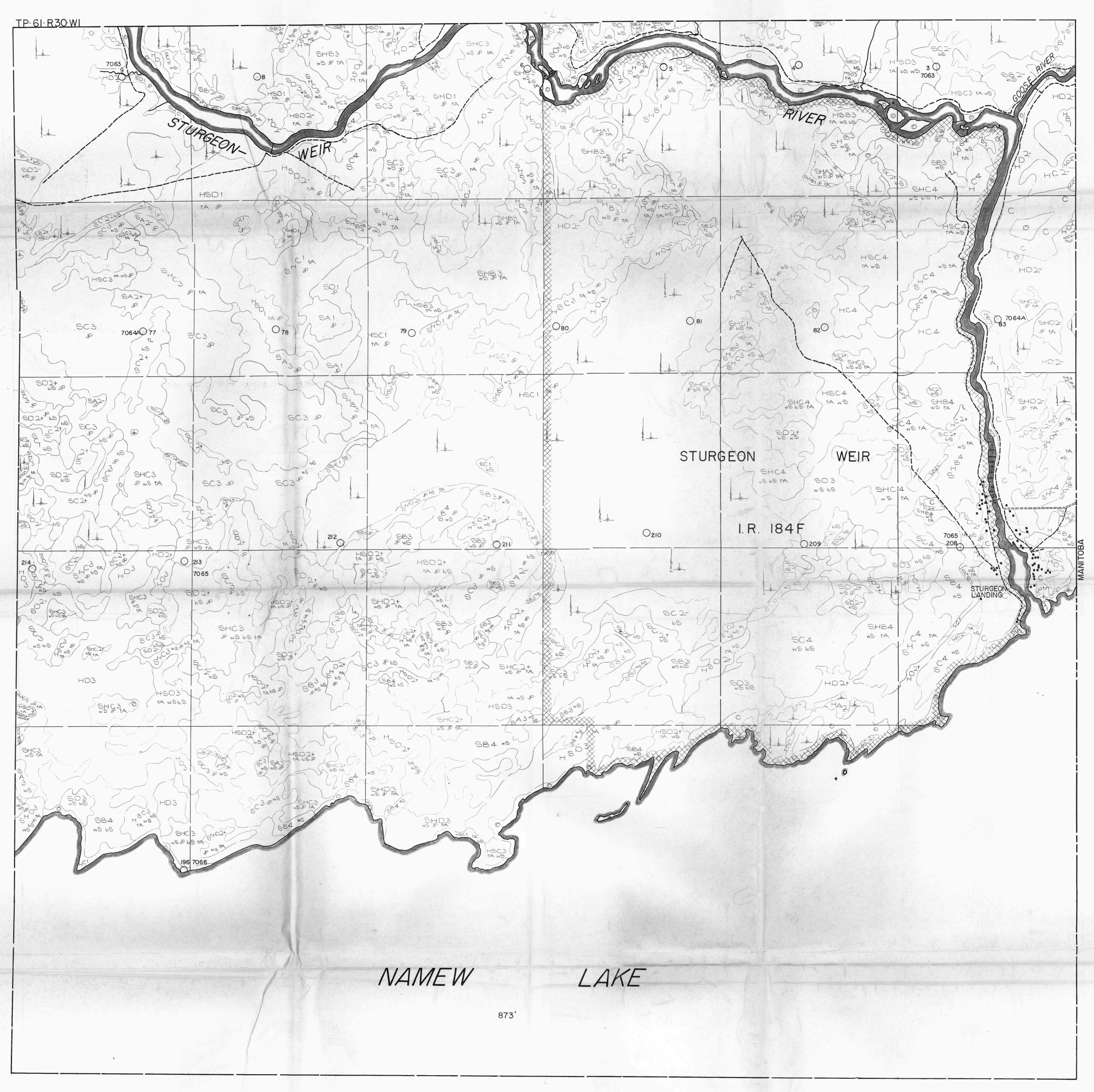
marine

Yours truly,

SPRUCE PRODUCTS LIMITED,

Frank Marvin.

FM*jb



FOREST REFERENCE TYPE below 30' below 30' Н Hardwood above 30' _____ Mixedwood (softwood dom.) _____ SH below 30' _____ - SH Mixedwood (hardwood dom.) ____ HS below 30' _____ 10% to 30% 30% to 50% -----.....B 30' to 50' ... 70% to 100%D Over 70' SPECIES Trembling Aspen (White Poplar) _____tA White Spruce _ Balsam Poplar (Black Poplar) ______bPa Black Spruce Tamarack _____jP Each forest sub-division is denoted by letters and a numeral, showing respectively the type, crown cover and height. Marsh, bog, open muskeg Recent clear cut (last 10 yrs.) ----- ///// Hay Meadow -----Treed muskeg Brushland 00 Recent partial cut (last 20 yrs.) ... Non-forested land

Flooded land

Tp61 R30 W1 Mer

Scale: 4-Inches to 1 Mile

INVENTORY MAINTENANCE MAP

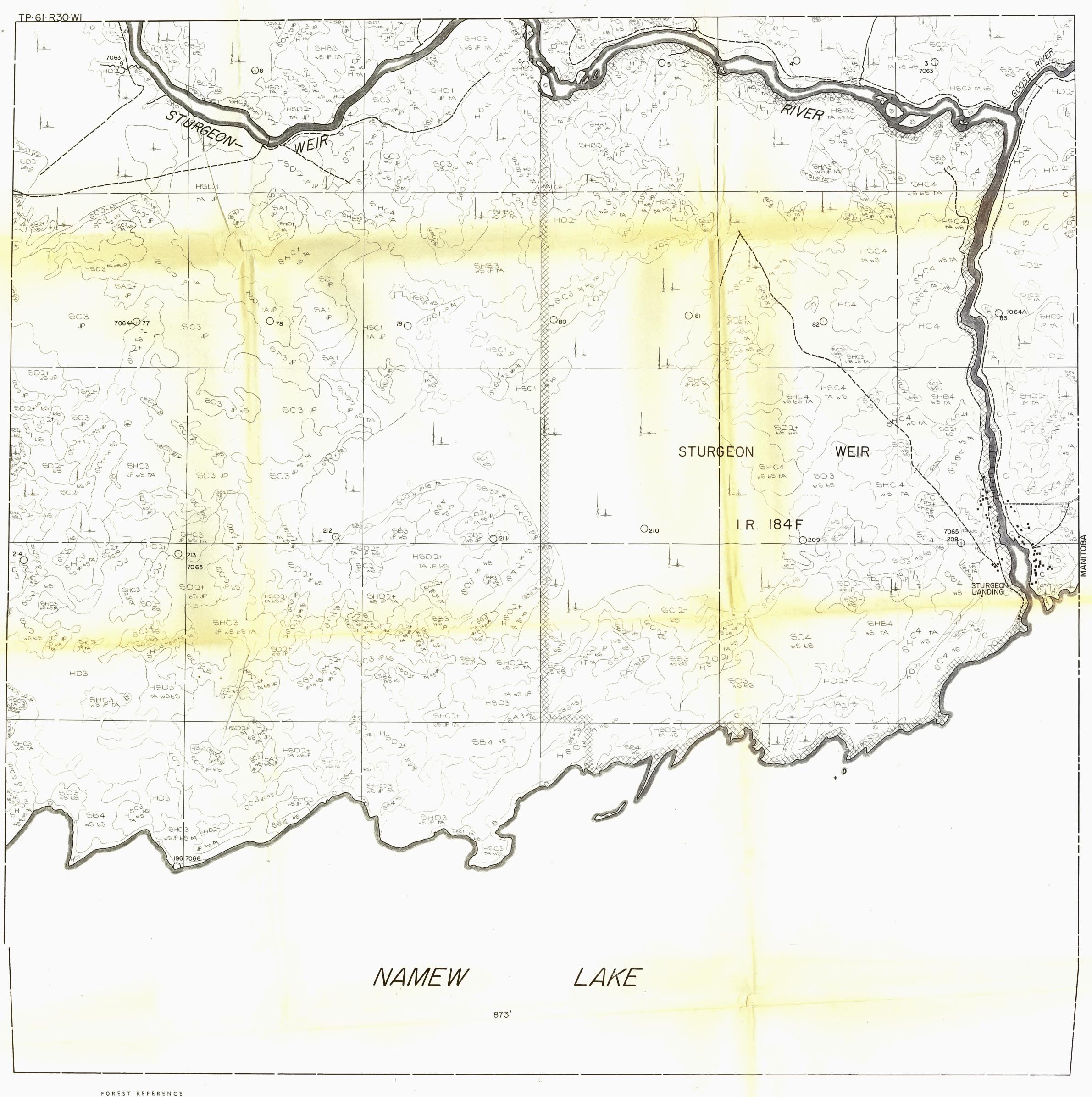
DEPARTMENT OF NATURAL RESOURCES SASKATCHEWAN

MAP REFERENCE

Improved road well trovelled	
Improved road not well trovelled	
Bush road or trail	
Building or cabin	
Sawmill or wood camp	SM ♣
Intermittent stream	
Ropid or falls	Falls, S' P.
Survey lines	
Projected survey lines	
Aerial photograph centre	
Sand beach	
Height in feet above sea level	1925
Provincial Forest boundaries	
Indian Reserve boundaries	XXXXXXX

Additional blue line copies may be obtained from the Department of Natural Resources in Prince Albert.

Forestry information compiled and drawn by the Soskotchewon Forestry Branch DEC 1971 from aerial photogrophs taken in 1970.



below 30' ... Softwood above 30' Hordwood above 30' below 30' H below 30' - SH Mixedwood (softwood dom.) . HS Mixedwood (hardwood dom.) HS below 30'.... CROWN COVER HEIGHT 10% to 30% ___A Up to 30' ____ 30% to 50%B 30' to 50' ... 50% to 70% -----____C 50' to 70' _ 70% to 100% -----.....D Over 70' SPECIES Bolsam Poplar (Black Poplor) _____bPo Black Spruce White Birch _____wB Balsam Fir Tamarock _____tL Jack Pine ____ Each forest sub-division is denoted by letters and a numeral, showing respectively the type, crown cover and height. Marsh, bog, open muskeg Treed muskeg 00 Recent burn (last 10 yrs.) B.O. Recent partial cut (last 20 yrs.) ... Non-forested land Flooded land

Tp61 R30 W I Mer

Scale: 4-Inches to 1 Mile

INVENTORY MAINTENANCE MAP

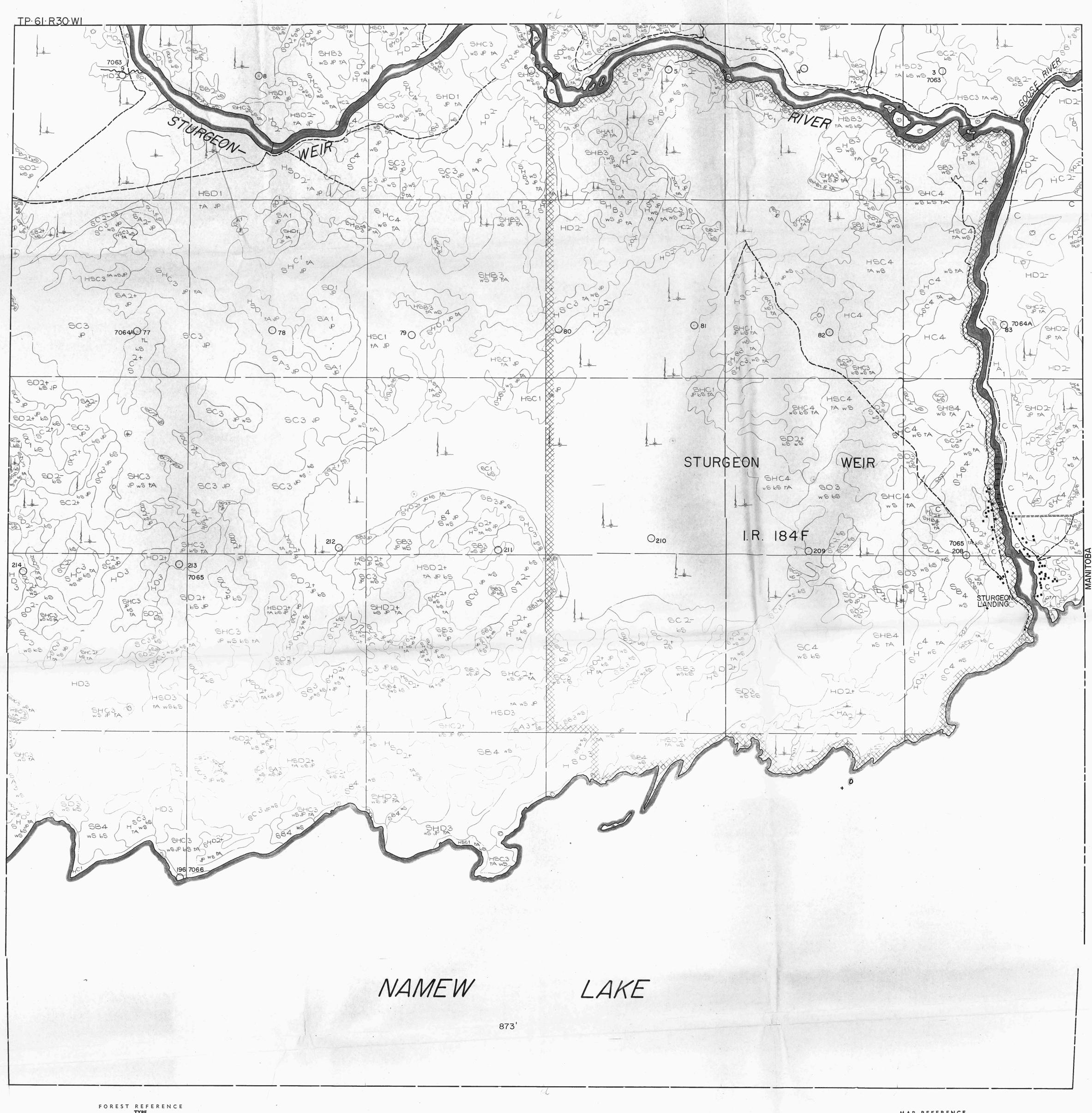
DEPARTMENT OF NATURAL RESOURCES SASKATCHEWAN

MAP REFERENCE

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Improved road not well trovelled	
Bush road or trail	
Building or cobin	
Sawmill or wood camp	
Intermittent stream	
Rapid or falls	Falls,5' P.
Survey lines	
Projected survey lines	
Aerial photograph centre	
Sand beach	
deight in feet above sea level	1925
Provincial Forest boundaries	
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Recent partial cut (last 20 yrs.) ...

Recent burn (last 10 yrs.)

Nan-farested land

Tp61 R30 W1

Scale: 4-Inches to 1 Mile

INVENTORY: MAINTENANCE MAP

DEPARTMENT OF NATURAL RESOURCES SASKATCHEWAN

MAP REFERENCE

MAP REPERENCE	
Improved road well travelled Improved road not well travelled Bush road or trail	
Building or cabinSawmill or wood camp	
Intermittent stream	
Rapid or falls	Falls 5' D.
Projected survey lines	
Aerial photograph centreSand beach	6039-6
Height in feet above sea level	1925'
Provincial Forest boundaries	

Additional blue line copies may be obtained from the Department of Natural Resources

Forestry information compiled and drawn by the Saskatchewan Forestry Branch DEC 1971 from aerial photographs taken in 1970.