

ADDRESSING UNCERTAINTY AND STRESS OF FOREST SECTOR REVITALIZATION – An opinion

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SUMMARY

The Government's forest sector revitalization initiative, coupled with other challenges confronting the industry and communities, has created a "perfect storm" resulting in a crisis of uncertainty and stress. Government needs to build on the strengths of the forest sector and the BC forest asset through providing leadership in creating clarity in visions for the forest and the wood manufacturing sector and initiating a focused action plan and leadership to move toward sustainability of the long-term stewardship of the forest and wood manufacturing sector as cornerstones for resiliency of forest-dependent communities. Six (6) priority infrastructure issues are highlighted to provide certainty and focus of Government strategic action. Recommended actions are provided.

SITUATION

Government has decided there needs to be a revitalization of the BC forest sector. The focus chosen is to deliver the 2017 election campaign forest related commitments as a means of moving forward. This has generated a great deal of consultation, uncertainty and stress within the industry, investors, communities and Government itself. In addition, the markets have dropped, the Canada-US Softwood Agreement remains unresolved, stumpage rates have increased, and timber supply has declined precipitously due to the Mountain Pine Beetle epidemic and the impact of recent wildfires. This has resulted in a "perfect storm" manifesting itself in mill closures and impacts on forest industry suppliers and communities. Companies continue to look for other locations in North America to maintain or grow their business. Environmental pressures have always been associated with the BC forest sector. However, with the decline in the timber supply and a perceived receptive Government, these have increased uncertainties.

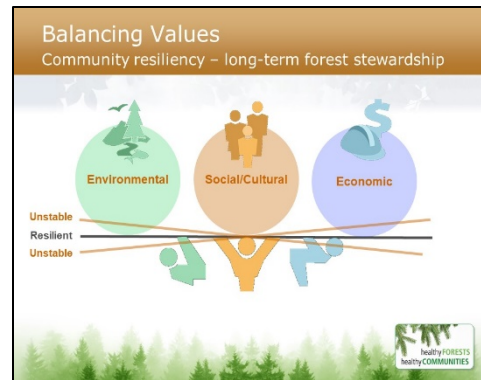
The uncertainty and stress have resulted in a flood of suggestions regarding addressing the associated issues. They tend to be narrow and fragmented with:

- Government responding to political issues,
- Industry responding to economic and uncertainty issues,
- Environmental activists wanting major change to the forest sector and practices,
- First Nations wanting respect for their culture and increased participation in the forest decision-making, and

- Aboriginal and non-Aboriginal communities wanting stability and actions to move toward resiliency.

It is the latter where decision-makers should focus. Achieving this goal will bring sustainability to the forest sector and communities, especially if actions and decisions are based on balancing environmental, social, cultural and economic values.

It is understandable that people losing their job will focus on how to get another one and recommending actions that will bring back stability as quickly as possible. However, decision-makers need to not only help in this regard over the short-term but bring forward actions that will adapt to the current



situation and either prevent this from happening again or minimize the impact if it does occur. This

Community resilience is the capability to anticipate risk, limit impact, and bounce back rapidly through survival, adaptability, evolution, and growth in the face of turbulent change. Ref: Community & Regional Resilience Institute, 2013.

requires an appropriate forest sector construct and management infrastructure. It requires a strategic framework that includes visions for BC forests and the wood manufacturing sector, innovative thinking, building on what exists, collaboration, and a commitment to balanced decision-making. Tools and knowledge exist to facilitate achieving these requirements. **Adopting a strategic and integrated strategy will move the forest sector and communities toward community resiliency¹ while**

generating both long-term sustainable forest management and a sustainable wood manufacturing sector. Creating and announcing such a strategy will remove much of the uncertainty and stress associated with the lack of clear direction and focus. People want to know the plan!

STRATEGIC FRAMEWORK

The content of a suggested strategic framework based on previously identified priority issues and the basis for moving toward both sustainable long-term forest management and a wood manufacturing

Detailed rationale and recommendations are included in the noted references.

sector that contribute to community resiliency is discussed below. The assumption is a clear and focused strategy adopted by Government, industry, First Nations and communities will, at a minimum, reduce the uncertainty and stress. It is recognized the short-term individual and community challenges associated with current job loss needs additional immediate action. It is also understood that some people are suggesting a total make-over of the BC forest sector and forest management. I do not subscribe to this major change and believe it would not be politically accepted due to the hardships on communities, First

¹ <https://www.bcforestconversation.com/wp-content/uploads/Moving-toward-community-resiliency-specific-actions.pdf>

Nations and the industry from the perspective of cost and economic impacts. Also, I do not think it is necessary. I would rather modify the existing forest sector and forest management to achieve the major benefits the BC forest asset provides under the current and foreseeable future.

The products of the management of regional forests are fundamental to the forest-based diversity within the communities and subsequently community resiliency. A Strategic Forest Planning Framework to build a sustainable forest management strategy for the communities within a region is critical. The following is such a framework for application at the management unit level that includes aspects related to the necessary infrastructure presented in this paper.



Many of the components in the Framework are either being used in some locations or have been proposed over the years. This approach is not new. It was used in the Lignum Ltd Innovative Forestry Practices Agreement 1994-2004² and currently in the Integrated Stewardship Strategy pilot projects (ISS)³. The technology has been available through BC consultants for over 20 years.

There are six (6) priority high-level infrastructure instruments requiring action to build on the existing BC regulatory and policy forest planning infrastructure⁴ to guide development of a new BC forest sector.

- 1) Legally binding provincial **resource management and extraction principles** to guide decision-makers.

² https://forestnet.com/LSIssues/Oct_00/forest_management.htm

³ <https://www2.gov.bc.ca/gov/content/industry/forestry/managing-our-forest-resources/silviculture/silviculture-strategy-areas>

⁴ <https://www2.gov.bc.ca/gov/content/industry/forestry/managing-our-forest-resources/silviculture/timber-management-goals>

- 2) **Provincial vision statements** regarding the sustainable management of BC forests⁵ and the desired wood manufacturing sector to be used by decision-makers in demonstrating how their decisions contribute to achieving the vision(s).
- 3) Government **community engagement** policies and funding to support forest-dependent communities in:
 - a) Developing strategic regional vision statements for their local forests as guidance by forest managers in demonstrating how their forest management plans move toward the vision, and
 - b) Generating public confidence in local forest management.
- 4) Government policies and programs to encourage the **creation of a diversified regional wood manufacturing sector using the model of regional clusters**⁶ as a means of capitalizing on the BC forest asset while moving toward community resiliency⁷ and greater value-added products.
- 5) Policy or regulation requiring forest managers to **develop spatially and temporally explicit landscape unit management plans** for management units that demonstrate delivery of the expectations in the provincial and community visions.
- 6) Government to commitment to a **long-term increase in forest inventory investments** to provide the data, knowledge and systems required to support forest resources management decision-making.

These priority infrastructure recommendations are not new. They were identified by concerned citizens and experts regarding the future of BC forests during the 2011-2012 *Healthy Forests-Healthy Communities* dialogue with communities across BC⁸. Very little action regarding the recommendations has been taken since the report was made public. Consequently, the issues continue to challenge Government, industry and communities. It is time for action!

BRIEF RATIONALE FOR INFRASTRUCTURE PRIORITIES

1. Resource management and extraction principles

There needs to be a set of principles in the Forest Act that guide Ministerial and Government staff decision-making at the regulatory and operational levels. These principles need to be legally binding. Once this is created, the forest manager will also have to use them as a guide in their decision-making and

⁵ **Sustainable Forest Management (SFM):** "SFM is the stewardship and use of forests and forest lands in a way, and at a rate, that maintains their biological diversity, productivity, regeneration capacity, vitality and their potential to fulfill, now and in the future, relevant ecological economic and social functions, at local, national and global levels, and that does not cause damage on other ecosystems." Food and Agriculture Organization of the United Nations (Canadian Institute of Forestry's, *The Forestry Chronicle* Vol 70 (6): 666-674).

⁶ **Industry cluster** - An industry cluster is a group of firms and institutions located in close proximity whose businesses are interlinked through value and supply chains, labor, and use of similar inputs, technology, and complementary products. Reference: The status of and opportunities for business clustering within the forest products sector in the US, US Endowment for Forestry and Communities, 2009, 27p.

⁷ <http://bcforestconversation.com/wp-content/uploads/Building-through-clusters-1.pdf>

⁸ <http://bcforestconversation.com/restoring-bcs-forest-legacy/>

be an evaluation tool for forest plan and activity reviews. It will also provide clarity to communities and First Nations regarding the strategic direction of Government.

2. Provincial vision statements

The lack of formal Provincial vision statements regarding the sustainable management of BC forests and the desired wood manufacturing sector have created uncertainty. The Ministry vision for sustainable management of BC forests⁹ could be used to guide decision-making, provided it is officially adopted as a legally binding regulation or some form of policy that forces decision-makers to demonstrate consistency with their actions.

“The Ministry’s vision for the sustainable management of B.C.’s provincial forest includes:

- ***Managing forests to meet present needs without compromising the ability of future generations to meet their needs;***
- ***Providing stewardship of forests based on an ethic of respect for the land;***
- ***Maintaining and restoring proper ecosystem function and promoting ecological resilience for influences such as climate change;***
- ***Balancing economic, social, spiritual, ecological and recreational values of forests to meet the needs of people and communities, including First Nations; and***
- ***Conserving biological diversity, soil, water, fish, wildlife, scenic diversity, and other forest resources.”***

Changes to the Forest and Range Practices Act are necessary to adequately move toward Government’s forest sustainable management vision. A submission has been provided to Government in partnership with the Northern Rockies Regional Municipality.

The following proposed wood manufacturing vision is based on Government’s publicised goals and previously identified community resiliency objectives. This, or something similar, should be adopted to guide decision-making.

A wood manufacturing sector that is:

- ***Globally competitive, sustainable and innovative.***
- ***Committed to building resilient communities.***
- ***Operating within a regulatory infrastructure that:***
 - ***Creates certainty, supports investment, supports sustainability, and has efficient and effective administrative processes, and***
 - ***Encourages companies to produce products that move up the economic value ladder from commodity products.***

⁹ https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/forestry/silviculture/timbergoalsobjectives2017apr05_revised.pdf

- **Diversified at the regional level in both size and product manufacturing businesses that fully utilize the available fibre supply in producing commodity, secondary wood, bioenergy, and biorefinery products.**
- **Focused on niche markets that capitalize on the types of fibre in BC.**
- **Operating within a tenure system that supports diversified and competitive regional wood manufacturing businesses.**

3. Community engagement

It is critical community engagement occurs at the strategic level. Communities have asked for greater influence in the management of their local forests¹⁰. This can be facilitated by creating local forest and wood manufacturing sector visions¹¹. Several BC regions have such statements¹². However, most communities are lacking funding and process guidance to ensure it is consistent with Provincial visions. There is a problem, if the Province does not provide their vision to guide the development of community visions. This has a high potential of continued conflict and loss of the benefits of the vision.

Flexibility is essential to allow communities to not only capitalize on the forest values in their local forests but include their desires. The following graphic provides a conceptual list of choices.



¹⁰https://www.ubcm.ca/assets/Resolutions~and~Policy/Policy/Community~Economic~Development/Forest_Policy_Decision_Making-Round_Table_Discussion_Summary-2016-11.pdf

¹¹ <https://www.bcforestconversation.com/community-influence/>

¹² <https://www.bcforestconversation.com/community-influence/>

Most of the conflict regarding local forest management is due to the lack of Regional community vision statements for the local forests and wood manufacturing that are consistent with the Provincial visions. These vision statements are critical to clarifying the community desires, providing guidance to the industry and advocates for the local forests and community economic development and building public confidence and social license. The vision setting process should include multi-stakeholder and First Nations consultation managed by the Municipal Regional District in collaboration with the communities within their boundaries.

Communities need to be confident their interests are being considered by forest managers. This is essential if public trust is to be achieved. Government has initiated changes to *Professional Reliance* which is one of the three components necessary to build public confidence as outlined in the recommended integrated nested system approach¹³.

4. Diversified regional wood manufacturing sector

Although Government can and should provide support, the primary responsibility for encouraging a diversified regional wood manufacturing sector resides with the communities and the manufacturing sector¹⁴. The regional forest vision is a cornerstone to determine the amount and type of wood fibre that would be available to investors. Regional communities should be encouraged to develop, in consultation with the manufacturing sector, a strategy to move efficiently and effectively in delivering the vision. This requires identifying the issues and barriers to achieving the vision and then developing a Strategic Action Plan to remove these impediments. This is not a multi-stakeholder process. The multi-stakeholder process is associated with the development of the regional vision.

The recent Bill 22-2019 – Forest Amendment Act-2019 is intended to assist in creating a more diversified regional wood manufacturing sector. However, this has added to the uncertainty and stress within the forest sector and communities. Changes to Bill 22 are required¹⁵.

5. Spatially and temporally explicit landscape unit management plans

The Forest Stewardship Plan (FSP) required to be produced by the forest manager to show the tactical level of planning has come under criticism by the Forest Practices Board¹⁶. The requirement for forest managers to produce a spatially and temporally explicit landscape unit management plan to replace the FSP or be the FSP would address many of the concerns. This would also be a fundamental document to demonstrate movement toward the regional community vision. A description of the concept of

¹³ <https://www.bcforestconversation.com/wp-content/uploads/Building-Public-Confidence-A-nested-approach.pdf>

¹⁴ <https://www.bcforestconversation.com/new-wood-manufacturing-sector/>

¹⁵ <https://www.bcforestconversation.com/bill-22-creates-uncertainty/>

¹⁶ <https://www.bcfpb.ca/reports-publications/reports/forest-stewardship-plans-are-they-meeting-expectations/>

developing a spatially and temporally explicit Strategic Plan has been proposed¹⁷. This includes a list of benefits arising from the Strategic Plan and how it fits into a strategic forest planning framework.

6. Long-term increase in forest inventory investment

The forest inventory is the foundation for many forest resources management decisions. It is used by at least eight (8) Ministries, two (2) Crown Corporations, the forest industry and others in their land-based resource decision-making. An inadequate forest inventory on which these decisions are based has a high potential for poor decisions which can cost the Provincial economy significantly and impact the vision of sustainable forest management and wood manufacturing sector investments. The recent Government Blue Ribbon Forest Inventory Review Panel recommendations identified the need for a significant and sustainable increase in funding over the long-term (10 years) to adequately provide the necessary data and information¹⁸.

¹⁷ <https://www.bcforestconversation.com/wp-content/uploads/SPATIALLY-AND-TEMPORALLY-EXPLICIT-STRATEGIC-PLANNING-FRAMEWORK.pdf>

¹⁸ https://www2.gov.bc.ca/assets/gov/farming-natural-resources-and-industry/forestry/stewardship/forest-analysis-inventory/panel_summary_report_final.pdf