



## The Tenure System and Public Expectation: They No Longer Reflect Each Other

**W** WE NEED A TENURE SYSTEM THAT ALLOWS FOR BALANCING THE PUBLIC'S social and environmental demands with the public and shareholders' financial expectations. Today's public insists BC forests be managed to provide many things over the long term, including:

- timber,
- non-timber forest products,
- tourism and recreation opportunities,
- fish and wildlife habitat,
- clean water and, more recently ,
- bio-energy and carbon sequestration/storage, etc.

This cannot be done on every hectare but, if we are strategic and organized we can do it on a province-wide basis. They also want these values to continue over the long term.

**Does the current tenure system and priority actions by government and the forest industry deliver on what is expected by the public? I would argue they do not and I would further argue that decision makers have no interest in modifying the system.**

The Ministry of Forests and Range (MFR) has been given the responsibility, through the *Forest Act*, of managing the Crown forest resources. They have chosen to do this through a tenure system consisting of ~75% of the

forest land base in volume based tenures (Forest Licenses or FLs) with the responsibility of management, other than reforestation, remaining with the MFR. Most of the remaining 25% is in Tree Farm Licenses (TFL) with the contracted management responsibility, including reforestation, residing with the forest companies.

The forest industry has structured itself such that the responsibilities in both the TFL and FL are driven by the performance measures of the mill managers. These measures are short term in nature and result in a focus on reducing the 'cost of the log' which is best accomplished by doing only the minimum required forest management and harvesting close to the mill. This has been defacto supported by government as part of the overall objective of increasing industry global competitiveness. Three examples of actions to help the industry in this regard include:

- the introduction of Forest Stewardship Plans which resulted in corporate lawyers advising companies to only commit to the minimum requirements,
- the extension of TFL Management Plans updating for up to an additional 10 years, and
- the directive to encourage actions that will increase industry competitiveness.



Photo: Randy Waterous, RFT

We must change the tenure system and associated forest management! Some of the priority requirements of the new system should include:

### Ensure MFR is a regulator and not a forest manager

The government system does not lend itself to sustainable forest management. (Four year political terms with the potentially strong influence of a manufacturing focused forest industry reduces the government's ability to plan for the long term.) Consequently, the forest land base is under a tenure system that will not be able to deliver on the public's expectations and the MFR requirement to "manage, protect and conserve forest and range resources for immediate and long term economic and social benefits." MFR containing BC Timber Sales (BCTS) is in conflict of interest as a regulator and forest manager.

### Ensure tenures are area-based utilizing watershed boundaries

Regardless of the future design of the tenure system, I believe there is agreement among a wide range of interests that tenures should be area-based. Forest resources exist due to the ecological processes and services within each watershed. Consequently, human interventions must be structured on this basis to ensure these processes are not irreparably affected. Having two or more managers in the watershed with different corporate philosophies, objectives and priorities has the potential for adversely impacting ecological integrity. Forest companies are competitors and do not "play well together in the sandbox." Therefore, we should give each their own watershed so the objectives, activities and responsibilities are easily monitored.

### Separate the forest tenure from the influence of the mill manager and require short- and long-term performance measures

The tenure system must include Sustainable Forest Management (SFM) agreements requiring the tenure be held by a non-manufacturing company and retain a profession woodlands manager with the skills and mandate to manage, according to a government identified forest ethic and agreed upon short- and long-term objectives.

### Establish a BC forest ethic and contractual requirements to guide forest management on the tenure

Tenure requirements must include forest management that balances the maintenance of ecological integrity with social and economic expectations on each economically viable and sustainable management unit without actions that will irreparably damage one or more of the values. This will require forest management flexibility to both allow individual woodlands managers to identify the appropriate mix of products for management over the long term to fit the ecological, geographical, social and economic conditions that apply, and be accountable for, the appropriate practices using a results-based approach. The application of ecosystem-based management (EBM) principles within the concept of SFM can be a solution. This requires the adoption of EBM as a concept for all forest tenures, something the forest industry and MFR have resisted with a passion.

### Integrate forest management and economics

A new tenure system will have to integrate forest management with forestry economics. Currently, forest management focuses on short-term political and economic objectives. This is not a strategy to maintain the 'forest infrastructure asset' for future benefits. We must remember forest companies, governments and the public benefit financially from BC's forests over the short and long-term. Consequently, all parties have a responsibility to share in the SFM costs and benefits. This sharing must include provisions under long-term legal contractual commitments and assurances to justify investments. Government must not be allowed to withdraw a portion or the entire timber or forest resource asset of a tenure without adequate compensation as determined by a judge. Also, forest companies have to be held accountable for their commitments with the loss of tenure as a real consequence.

### Ensure full value from each log

The tenure system must contain provisions to encourage full economic utilization of the fibre resource and receiving full value from each log. The consolidation of the forest industry over the last decade has been in response to global competition and has undermined the creation of a true log market. The new tenure agreements should include a clause that the sum of a woodlands company's fibre agreements with conversion companies cannot exceed 50% of the AAC. This would result in at least 50% of the logs being sold on the open market without a BCTS. It is my view this would have the added benefit of encouraging innovation in the mills.

It is very discouraging to experience the situation regarding forest management in BC after spending 35 years promoting improved forest management. The tenure system and actions by government and industry are the key causes. Without a serious change to the tenure system, maybe it is time for people like me to move on to other issues as I see only frustration in the near future. 🐻

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